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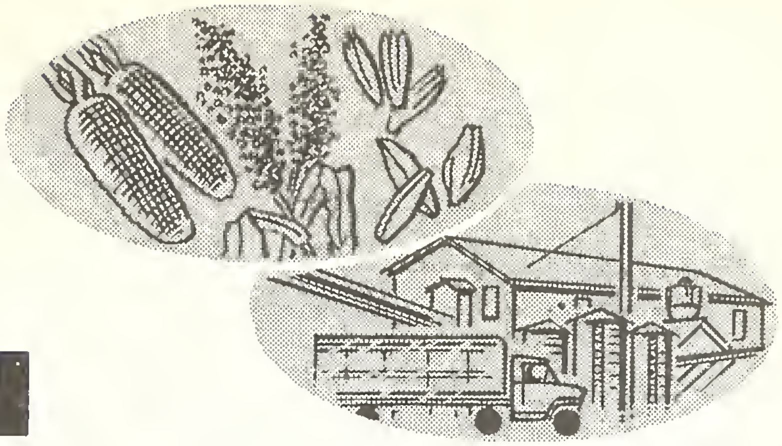
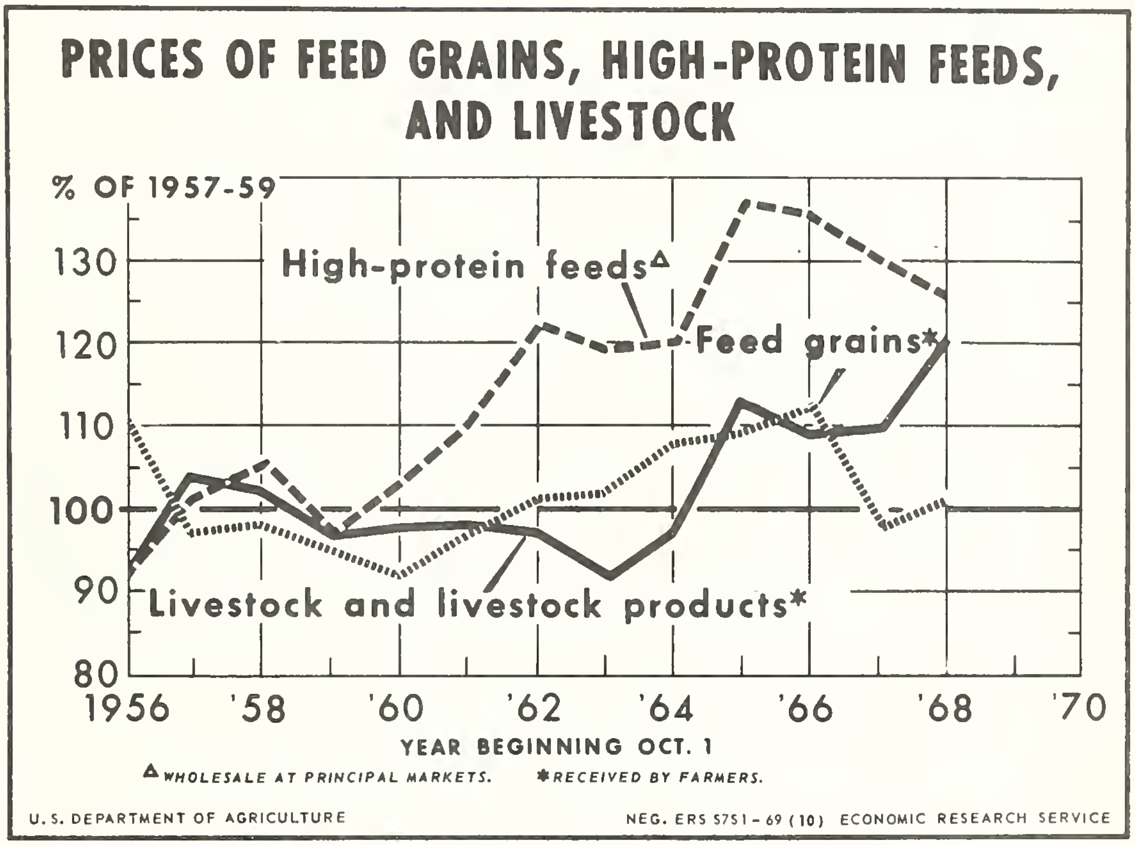
FEED SITUATION



FdS-231 NOVEMBER 1969

Livestock prices have been rising in recent years, strengthening the demand for feed. In 1968/69 livestock prices were the highest in 20 years in relation to feed prices, encouraging liberal feeding. Feed grain prices in 1969/70 are expected to be slightly higher than during the past year, while high-protein feeds--particularly soybean meal--may average a little lower. Livestock/feed price ratios are expected to continue favorable to livestock producers.



PRICES OF FEED GRAINS, HIGH-PROTEIN FEEDS, AND LIVESTOCK

△WHOLESALE AT PRINCIPAL MARKETS. *RECEIVED BY FARMERS.

U.S. DEPARTMENT OF AGRICULTURE NEG. ERS 5751-69 (10) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

1969/70 Outlook

Supplies - Consumption

Prices - Foreign Trade

U.S. DEPT. OF AGRICULTURE
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DEC 17 1969
CURRENT SERIAL RECORDS

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Table 1.--Statistical summary of prices, indexes and price ratios, recent years and months

Item	Unit	Season average		1968	1968/69			
		1967/68	1968/69	Oct.	July	Aug.	Sept.	Oct.
FEED GRAIN AND HAY PRICES								
Corn, No. 3 Yellow, Chicago	Dol. per bu.	1.12	1.17	1.06	1.27	1.28	1.19	1.16
Price received by farmers	do.	1.03	1.06	.96	1.18	1.18	1.15	1.12
Oats, No. 1 White, Chicago	do.	.766	.636	---	.628	.616	.619	---
No. 2 White, Minneapolis	do.	.702	.641	.641	.598	.595	.617	.654
Price received by farmers	do.	.659	.600	.582	.580	.526	.546	.571
Barley, No. 3, Minneapolis	do.	1.24	1.15	1.18	1.09	1.00	1.06	1.08
Price received by farmers	do.	1.00	.899	.881	.953	.816	.856	.868
Grain sorghum, No. 2 Yellow, Kansas City	Dol. per cwt.	1.99	2.00	1.81	2.07	2.11	2.08	2.08
Price received by farmers	do.	1.77	1.69	1.60	1.82	1.92	1.97	1.91
All hay, baled, price received by farmers	Dol. per ton	24.50	23.60	21.80	22.20	22.10	22.60	23.20
Alfalfa hay, baled, price received by farmers	do.	23.60	23.00	21.90	22.50	22.30	22.80	23.40
PROCESSED FEED PRICES, BULK								
Soybean meal, 44%, solvent, Decatur	Dol. per ton	76.90	74.10	78.20	77.30	76.90	72.70	75.40
50%, solvent, Decatur	do.	84.30	82.50	85.30	86.20	84.60	82.60	82.00
Cottonseed meal, 41%, expeller, Memphis	do.	77.60	65.20	66.20	68.00	71.00	67.80	63.40
Linseed meal, 34%, solvent, Minneapolis	do.	76.50	68.40	72.00	70.70	67.00	65.20	65.00
Peanut meal, 50%, S.E. mills	do.	81.10	80.00	87.30	74.60	77.20	74.20	76.00
Tankage digester, 60%, Chicago	do.	92.50	94.90	99.50	100.80	98.10	94.50	94.40
Meat meal, 50%, Chicago	do.	88.80	91.60	97.00	101.00	95.30	93.00	93.10
Fish meal, 60%, New York, (bagged)	do.	127.00	150.60	129.20	173.90	172.10	171.80	193.40
Gluten feed, 21%, Chicago	do.	44.90	43.70	42.80	40.00	40.00	42.40	47.00
Brewers' dried grains, 24%, Milwaukee	do.	45.90	45.00	46.50	38.20	39.80	41.90	46.25
Distillers' dried grains, 28%, Cincinnati	do.	52.70	55.30	54.40	54.80	58.00	57.20	53.80
Wheat bran, Minneapolis	do.	39.30	38.70	35.60	33.50	32.90	38.70	41.10
Buffalo	do.	42.20	41.60	37.70	33.20	37.50	39.20	43.40
Wheat middlings, Minneapolis	do.	39.80	39.90	38.10	34.30	34.10	40.40	42.10
Buffalo	do.	44.30	44.40	42.90	40.00	41.10	42.20	45.80
Hominy feed, Chicago	do.	39.00	41.10	37.20	36.20	37.80	43.00	41.80
Molasses blackstrap, New York	do.	27.93	23.10	24.40	23.10	24.30	26.10	27.30
Beet pulp (molasses), Los Angeles	do.	46.50	45.50	44.00	45.90	47.00	47.10	48.20
Alfalfa meal, 17%, dehydrated, Kansas City	do.	39.10	42.40	37.30	38.20	40.00	42.10	44.00
Tallow, inedible prime, Chicago	Cents per lb.	.046	.058	.046	.068	.076	.078	.073
Urea, 42% N., Ft. Worth (bagged)*	Dol. per ton	N.A.	N.A.	---	71.00	71.00	71.00	71.00
PRICES PAID BY FARMERS								
Soybean meal, 44%	Dol. per cwt.	5.30	5.31	5.54	5.36	5.35	5.32	5.26
Cottonseed meal, 41%	do.	5.28	5.03	5.20	4.97	4.98	4.98	4.93
Wheat bran	do.	3.49	3.48	3.34	3.40	3.38	3.40	3.46
Wheat middlings	do.	3.59	3.58	3.44	3.50	3.48	3.51	3.58
Broiler grower feed	Dol. per ton	89.00	90.00	88.00	92.00	92.00	92.00	90.00
Laying feed	do.	81.00	80.00	79.00	80.00	81.00	81.00	80.00
Dairy feed, 16%	do.	72.00	71.00	70.00	71.00	70.00	71.00	71.00
Beef cattle feed, 30% and over	Dol. per cwt.	4.77	4.65	4.65	4.68	4.64	4.68	4.67
Hog feed, over 29%	do.	6.27	6.36	6.44	6.45	6.46	6.40	6.36
Alfalfa hay, baled	Dol. per ton	33.20	33.60	32.20	32.40	32.40	32.60	33.20
PRICE INDEXES (1957-59=100)								
Feed grains, prices received by farmers	Pct.	98	101	90	106	103	102	101
Eleven high-protein feeds, at principal markets	do.	130	126	130	131	130	126	129
Five oilseed meals	do.	138	132	138	136	135	130	132
Tankage, meat meal, and fish meal	do.	103	111	108	121	119	120	123
Gluten feed, brewers' dried grains, and distillers' dried grains	do.	114	115	117	112	113	115	120
Feed, prices paid by farmers	do.	102	102	99	103	103	103	102
LIVESTOCK AND POULTRY/FEED PRICE RATIOS 1/	Average (October)							
Hog/corn, Chicago 2/	1958-67=15.5	17.5	18.5	17.7	20.6	21.2	22.0	22.5
Hog/corn, U.S.	1958-67=16.1	17.9	18.9	18.6	21.1	22.0	21.6	22.1
Beef steer/corn, Chicago 3/	1958-67=22.6	24.5	25.4	26.7	24.8	24.2	25.0	25.1
Milk/feed, U.S.	1958-67= 1.56	1.66	1.74	1.85	1.65	1.70	1.80	1.85
Egg/feed, U.S.	1964-68= 8.6	7.8	9.5	9.6	9.4	8.8	9.9	10.0
Broiler/feed, U.S.	1964-68= 3.0	3.1	3.3	3.0	3.8	3.6	3.4	3.3
Turkey/feed, U.S.	1964-68= 4.7	4.4	4.7	4.9	4.7	4.6	4.8	5.0

1/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef steer, one pound of chicken, milk, or one dozen eggs. 2/ Based on packer and shipper purchases of hogs and No. 3 Yellow corn. 3/ Based on price of beef steers all grades sold out of first hands for slaughter, and No. 3 Yellow corn. *Price series at Houston discontinued.

Prices compiled from Chicago Board of Trade, *Minneapolis Daily Market Record*, *Kansas City Grain Market Review*, *National Provisioner*, *Feedstuffs*, and reports of the Consumer and Marketing Service.

THE FEED SITUATION

Approved by the Outlook and Situation Board, November 19, 1969

SUMMARY*

The 1969/70 feed grain supply, estimated in November at 221 million tons, is 4 million larger than last year. But with some expansion in both domestic use and exports in prospect, a modest reduction is expected in the carryover at the close of 1969/70.

The 1969 crop, estimated at 171 million tons, was 2½ million above the 1968 crop, and the carryover was 2 million tons larger. In 1968/69, total use was 1½ million tons below production which increased this year's carryover to about 50 million tons.

The total corn supply is estimated at nearly 5.6 billion bushels, slightly above a year earlier. Disappearance in 1969/70 is expected to be a little above the 1969 crop, due principally to a prospective increase in exports, This would give some reduction in the carryover next October 1 from the 1,122 million bushels this year.

The grain sorghum supply is about 2% above last year, due to a big harvest of 757 million bushels. Domestic use, rising in recent years, is expected to increase further in 1969/70, while exports may decline a little. The 1969/70 oat supply is 9% larger than last year and the barley supply is up 10%. Although increased domestic consumption of these grains is in prospect, carryover stocks next July 1 will continue large and may exceed the record levels this year.

Continued strong demand is expected to hold feed grain prices slightly higher in 1969/70 than during the past year. However, prices probably will not advance as much during the marketing year as the 19% increase from October to May in 1968/69. Oat and barley prices have been unusually low in relation to corn this summer and fall. The lower prices for these grains probably will bring increased domestic use.

Relatively low wheat prices resulted in a rise in wheat feeding to nearly 200 million bushels in the 1968/69 feeding year--the heaviest since World War II. The quantity of wheat fed in the 1969/70 October-September feeding year may be a little lower if feeding is materially reduced in the latter part of the feeding year.

The high-protein feed supply for 1969/70 is forecast at 19 million tons, 2% over 1968/69, with practically all of the increase in soybean meal. The larger soybean meal supply is expected to result in moderately lower prices and heavier domestic feeding and export. Smaller supplies of animal proteins are in prospect--particularly fish meal.

The total hay supply for 1969/70 is now estimated at 151 million tons, slightly above last year's big supply. This year's record crop of 127 million tons was 2 million larger than in 1968, but the May 1 carryover was a little smaller.

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*This summary and a feed grain supply-use table was released to the press on November 19, 1969.

SITUATION AND OUTLOOK

Contents

Page
Summary 3
Feed Grain Outlook for 1969/70 4-7
Corn 7-11
Grain Sorghum 11-14
Barley 14-16
Oats 16-18

Total Feed Concentrates

Supplies and consumption ... 18-19
Animal units, feeding rates and price ratios 20-21
Wheat feeding 22

Feed Grain Exports

Prospects for U.S. exports 22-27
European supplies and demand .. 27-29
Supplies in other countries ... 28-31

Processed Feeds

High-protein feeds 31-32
Soybean and cottonseed meals .. 31-34
Animal and grain proteins 34-36
Wheat millfeeds, alfalfa meal and molasses 36-37
Hay 37-38
Index of Tables 46
Index of Articles and Statistics in 1969 Issues 47

FEED GRAIN OUTLOOK FOR 1969/70

Feed Grain Supply Up Slightly

The feed grain supply for 1969/70 is estimated in November at 221 million tons, a little above last year and 5% above the 1963-67 average. Corn and grain sorghum supplies are only slightly larger, while supplies of oats and barley are 9 or 10% larger. Larger supplies and heavier use of these grains are expected to limit the increase in corn consumption. Total feed grain use may be around 3 million tons above 1969 production. This would give a corresponding reduction in carryover from the 50 million tons carried over this year.

The 1969 feed grain crop varies considerably by areas. In the Corn Belt, production is about equal to that of 1968 (table 29). Production is much larger than last year in the North Atlantic Region where the corn crop is the second largest of record. Production is about the same as in 1968 in the South Central Region, 5% larger in the South Atlantic States and up 13% in the Western States.

Further Expansion in Total Use

Domestic use and exports of feed grains in 1969/70 may be up around 4 or 5% from the 166 million tons in 1968/69. With a moderate increase in livestock numbers and a continuation of generally favorable livestock/feed price ratios, the tonnage fed to livestock is expected to be above the 132 million tons fed in 1968/69. Some further increase also is in prospect in exports--probably 5 to 10% over the 18.4 million tons shipped in 1968/69.

Table 2.--Feed grains: Supplies and utilization, United States, average 1963-67, annual 1965-70

Marketing year beginning 1/	Supply				Utilization				
					Domestic use				
	Carry-over	Produc-tion	Imports 2/	Total	Feed 3/	Food, industry and seed	Total domestic	Exports 2/	Total use
					Million bushels				
					CORN				
Average 1963-67	1,142	4,093	1	5,236	3,203	355	3,558	576	4,134
1965	1,147	4,084	1	5,232	3,347	358	3,705	687	4,392
1966	840	4,117	1	4,958	3,284	364	3,648	487	4,135
1967	823	4,760	1	5,584	3,421	368	3,789	633	4,422
1968	1,162	4,375	1	5,538	3,508	372	3,880	536	4,416
1969 4/	1,122	4,444	1	5,567	3,589	378	3,967	600	4,567
1970 4/	1,000								
					GRAIN SORGHUM				
Average 1963-67	501	644	---	1,145	517	13	530	187	717
1965	566	673	---	1,239	569	13	582	266	848
1966	391	715	---	1,106	600	14	614	248	862
1967	244	756	---	1,000	532	13	545	166	711
1968	289	739	---	1,028	620	13	633	106	739
1969 4/	289	757	---	1,046	668	13	681	90	771
1970 4/	275								
					OATS				
Average 1963-67	290	867	4	1,161	749	106	855	16	871
1965	277	927	3	1,207	747	107	854	37	891
1966	316	801	4	1,121	731	100	831	20	851
1967	270	789	3	1,062	673	106	779	10	789
1968	273	930	2	1,205	716	110	826	8	834
1969 4/	371	938	3	1,312	792	110	902	10	912
1970 4/	400								
					BARLEY				
Average 1963-67	121	387	10	518	221	121	342	57	399
1965	100	392	8	500	198	120	318	77	395
1966	105	393	7	505	213	125	338	45	383
1967	122	373	8	503	208	126	334	31	365
1968	138	418	10	566	225	131	356	13	369
1969 4/	197	416	10	623	267	136	403	10	413
1970 4/	210								
					TOTAL FEED GRAINS				
					Million tons				
Average 1963-67	53.5	155.8	.3	209.6	121.4	14.9	136.3	23.0	159.3
1965	54.8	157.4	.3	212.5	126.3	15.0	141.3	29.1	170.4
1966	42.1	157.6	.3	200.0	125.7	15.2	140.9	22.0	162.9
1967	37.1	176.0	.3	213.4	126.4	15.4	141.8	23.3	165.1
1968	48.3	168.1	.3	216.7	132.4	15.7	148.1	18.4	166.5
1969 4/	50.2	170.6	.3	221.1	138.4	16.0	154.4	19.7	174.1
1970 4/	47.0								

1/ October 1 for corn and sorghum grain; July 1 for oats and barley.
2/ Includes grain equivalent of products.
3/ Residual; includes small quantities for other uses and waste.
4/ Preliminary; based on November 1969 indications. Tentative estimates of utilization and carryover at end of year.

These early prospects indicate that total disappearance would be a little above the 1969 crop.

Larger Government Stocks; Little Change in "Free" Supply

The 1969/70 feed grain carryover was slightly larger this year than last, with all of the increase in Government stocks which were up 4 million tons to 33.6 million. "Free" stocks, on the other hand, totaled about 16.6 million tons, about 2.3 million less than at the beginning of the 1968/69 marketing year.

The smaller "free" carryover was offset by the increase in production. The "free" supply of 187 million tons for 1969/70 is the same as a year earlier but nearly 8 million below the record "free" supply of 2 years ago.

Feed grains: "Free" supply and use

Item	1967/ 1968	1968/ 1969	1969/ 1970 1/
	Million tons		
"Free" carryover	18.8	18.9	16.6
Production	176.0	168.1	170.6
Total	194.8	187.0	187.2
Domestic use	141.8	148.1	154.4
Exports	23.3	18.4	19.7
Total use	165.1	166.5	174.1
"Free" supply above use	+29.7	+20.5	+13.1

1/ Based on November 1969 indications.

The "free" supply of 187 million tons in 1968/69 was sufficient to take care of domestic use and exports and leave an above average "free" carryover at the end of the year. The big "free" supply of 2 years ago resulted in an increase of about 11 million tons in Government stocks, while "free" carryover was maintained at around 19 million tons. The "free" supply for 1969/70 would be about 13 million tons above prospective use. This would leave a "free" carryover below that of recent years, indicating a little tighter supply-demand situation than in 1968/69.

Loan Activity At High Level

The quantity of feed grains placed under loan (or delivered to CCC under the purchase program) increased sharply from around 9 million tons in 1966/67 to 17½ million in the past 2 years--about 10% of production. While this was well below the high level in 1961 and 1962, it was substantially above 1964-66.

Loan activity for oats has been much above the 1968/69 rate through October 1969, but loan activity for corn, grain sorghum and barley has been down.

Increased price support activity during the past 2 years has resulted in an increase in the combined feed grains in Government stocks from about 18 million tons at the beginning of the 1967/68 marketing year to nearly 34 million tons this year.

Feed grain production and price support activity

Crop year	Crop	Placed under price support 1/		Year-end Govt. stocks 2/
	Mil. tons	Mil. tons	% of prod.	Mil. tons
1961	139.8	25.3	18.1	62.5
1962	141.7	24.2	17.1	55.8
1963	153.8	16.3	10.6	56.6
1964	134.2	9.4	7.0	43.7
1965	157.4	10.1	6.4	24.4
1966	157.6	8.9	5.6	18.3
1967	176.0	17.5	9.9	29.5
1968	168.1	17.5	10.4	33.6

1/ Placed under loan and purchase agreement (purchase agreement delivered 1964 to date).

2/ Under loan and owned by CCC.

Feed Grain Prices Slightly Higher This Year

Feed grain prices in 1969/70 are expected to average slightly above the 1968/69 level. At the beginning of the current feeding year, prices were about 12% higher than a year earlier but are expected to be much nearer the 1968/69 level during the remainder of the feeding year. The seasonal increase during the feeding year is not expected to equal the 19% rise from October to May that occurred in 1968/69. While prices next spring and summer will be influenced by prospects for 1970 feed grain crops, present indications are that prices in the last half of the current marketing year may not be much, if any, above those of a year earlier. While corn and grain sorghum prices have been above a year earlier this fall, the big supplies of oats and barley are holding prices of these grains slightly below last year's levels.

CORN

Slightly Larger Supply for 1969/70

The 1969/70 corn supply was estimated in November at 5,567 million bushels, slightly larger than in 1968/69 and 6% above the 5-year average. The October 1 carryover was a little less than a year earlier. The estimate of the 1969 crop was increased 94 million bushels in November to 4,444 million, 2% above last year. The crop is expected to fall a little below our total requirements, reducing the carryover next October 1--probably by around 10% below the 1,122 million bushels this year.

Although a substantial part of this year's crop was planted late, weather was generally favorable this fall for the maturity of the crop and there has been little frost damage. The crop was down 1% from last year in the West North Central Region, while in the Eastern Corn Belt, production was 2% higher. Production in the North Atlantic Region was about 30% above last year and more than a third above the 5-year average. Production was a little larger than in 1968 in the Southern regions, but much below the big harvest of 1967.

Domestic Use to Continue Heavy; Larger Exports in Prospect

Domestic use of corn is expected to continue heavy in 1969/70, probably a little above the record 3,880 million bushels in 1968/69. While domestic demand will continue generally strong, large supplies of other feed grains and relatively low prices of oats and barley will tend to limit expansion in corn feeding. Nevertheless, with larger exports in prospect, use may exceed 4.5 billion bushels, a little larger than in the past 2 years.

Government Stocks Up Slightly; Smaller "Free" Stocks

Government stocks of corn totaled 736 million bushels on October 1, slightly higher than a year earlier. This included 295 million bushels owned by CCC and 441 million under loan (table 3). Government stocks were much above a year earlier last spring, but the large quantity of corn redeemed by farmers this summer reduced the total by more than 300 million bushels since April 1. While Government stocks have increased substantially from the low level of 2 years ago, they are still much lower than during most of the preceding 10 years.

"Free" stocks of corn on October 1 were again large, totaling 386 million bushels, although about 60 million less than the big "free" carryover stocks of the 2 preceding years. With production slightly above last year, the "free" supply was estimated at 4,830 million bushels, about the same as last year but 379 million less than 2 years ago.

Loan Activity May Be Reduced

The total quantity of corn going under loan in 1969/70 may fall below the

Table 3.--Feed grain carryover stocks: Government and "free",
October 1 and July 1, 1968 and 1969

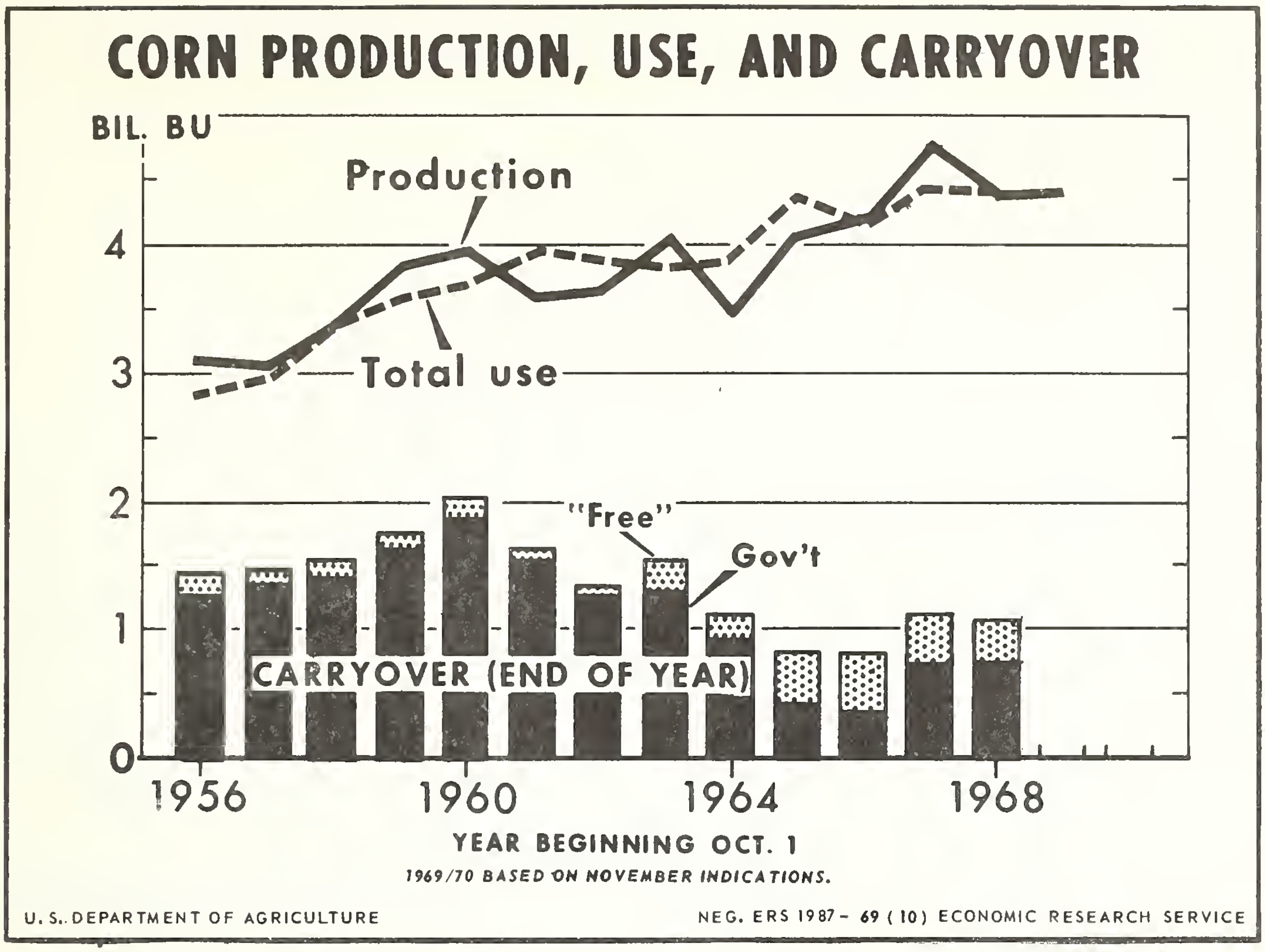
Item	October 1				July 1*				Total 4 feed grains	
	Corn		Sorghum grain		Oats		Barley			
	1968	1969 1/	1968	1969 1/	1968	1969 1/	1968	1969 1/	1968	1969 1/
	Million bushels								Million tons	
Under loan										
Old grain resealed	208	293	24	38	24	40	7	29	7.0	10.6
Resealed from preceding crop 2/	324	148	34	23	23	64	30	69	11.1	7.5
Owned by CCC	182	295	192	199	45	61	6	27	11.4	15.5
Total Government 3/	714	736	250	260	92	165	43	125	29.5	33.6
"Free" 4/	448	386	39	29	181	206	95	72	18.8	16.6
Total, all positions	1,162	1,122	289	289	273	371	138	197	48.3	50.2

1/ Preliminary. 2/ Data for 1969 are loans outstanding including some 1968-crop grain in the process of being resealed or redeemed. 3/ Based on reports of Agricultural Stabilization and Conservation Service. 4/ Residual; privately held stocks. *See table 4 for October 1 stocks.

Table 4.--Oats and barley stocks: Government and "free",
October 1, 1965-69

Position	Oats					Barley				
	1965	1966	1967	1968	1969 1/	1965	1966	1967	1968	1969 1/
	Million bushels									
Under loan										
Old grain resealed	38	40	28	42	87	7	5	8	32	73
Under loan 2/	20	11	17	42	64	8	7	16	52	20
Owned by CCC	44	53	46	46	76	19	9	6	6	48
Total Government 3/	102	104	91	130	227	34	21	30	90	141
"Free" 4/	817	730	691	798	784	353	367	351	353	354
Total, all positions	919	834	782	928	1,011	387	388	381	443	495

1/ Preliminary.
2/ Quantity from crop of year shown placed under loan through September 30 less any repayments.
3/ From operating reports of the Agricultural Stabilization and Conservation Service.
4/ Residual; privately held stocks.



high level of the past 2 years when over 400 million bushels were placed under loan. In 1967/68 when corn production was above requirements, about 75% of the corn placed under loan was delivered to CCC or resealed.

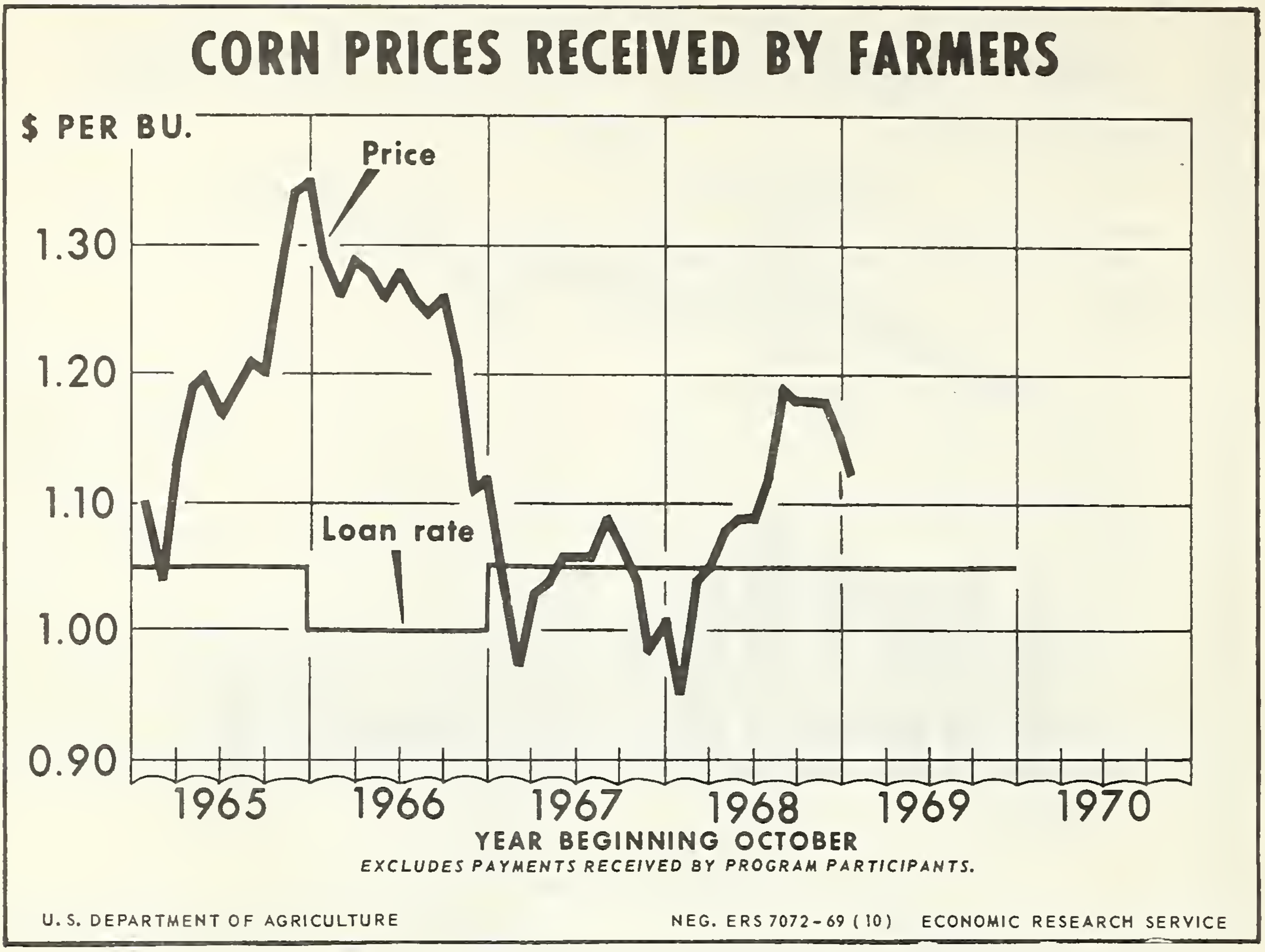
In 1968/69, farmers repaid loans on about two-thirds of the 403 million bushels placed under loan and delivered only about 10 million bushels to CCC. Only 129 million bushels of 1968 corn remained outstanding on November 1. With the tighter supply situation in prospect for 1969/70, less corn may be placed under loan this year and deliveries to CCC are again expected to be relatively small.

Corn Prices Higher This Fall

Corn prices have been higher this fall than a year ago and they probably will average slightly higher for the 1969/70 marketing season. The prospective increase in livestock numbers and the generally favorable returns to livestock and poultry feeders are factors which will lend strength to corn prices during the current marketing year.

In mid-October, corn prices averaged about 15¢ higher than in October 1968. But market prices declined in late October and early November, and by the middle of November were little above last year's level. Prices are expected to advance seasonally this winter and spring, averaging somewhat above the 1969 loan rate of $1.05 per bushel.

The level of prices next spring and summer will be determined to a considerable extent by the rate of total disappearance and prospects for 1970 feed grain crops. Assuming a generally favorable 1970 growing season, prices may not be materially different in the last half of the year



CORN PRICES RECEIVED BY FARMERS

EXCLUDES PAYMENTS RECEIVED BY PROGRAM PARTICIPANTS.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 7072-69 (10) ECONOMIC RESEARCH SERVICE

Table 5.--Corn price support activity and farm prices, 1967-69 crops

[Loan-$1.05]

Month	1967		1968		1969	
	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel
	Mil. bu.	Dol.	Mil. bu.	Dol.	Mil. bu.	Dol.
October	5	1.04	10	.96	9	1.12
November	52	.98	72	1.04		
December	194	1.03	180	1.05		
January	347	1.04	330	1.08		
February	387	1.06	367	1.09		
March	411	1.06	385	1.09		
April	420	1.06	393	1.12		
May	427	1.09	396	1.19		
June	439	1.07	399	1.18		
July	447	1.04	402	1.18		
August	453	.99	402	1.18		
September	453	1.01	403	1.15		
Total and av. 1/	453	1.03	403	1.06		

1/ Prices are the season average for the marketing year.

than the 1969 April-September average of $1.17 per bushel.

Corn: Price support operations

Item	1966/ 1967	1967/ 1968	1968/ 1969
	Million bushels		
Placed under loan	263	467	403
Loans repaid	129	113	264
Delivered to CCC	1/	90	10
Resealed	134	264	2/129
Deliveries under the purchase program	1/	30	1/

1/ Less than 500,000 bushels.
2/ Includes loans outstanding on Nov. 1, 1969.

Corn prices averaged substantially above the loan rate in 1965 and 1966 when feed grain production was below total requirements. With the harvesting of the bumper crop in 1967, corn prices dropped sharply to below the loan rate at harvest-time and rose to a seasonal high of only 4¢ above the loan in the spring of 1968. Because of the large "free" stocks on hand during the summer of 1968, prices dropped below the loan rate 2 or 3 months before the harvest of the 1968 crop.

This year, although "free" stocks were again large, prices remained well above the loan rate until they were influenced by the harvesting of the 1969 crop. The 1969 crop is again expected to be below total disappearance, which is expected to maintain prices above the loan rate during most of the marketing year.

Corn prices were above the loan rate in mid-October in most of the important Midwestern producing States. Unlike last year, however, prices declined in late October and early November with the harvesting of the 1969 crop. The seasonal decline since mid-October has probably brought November prices below the county loan rates in most areas of the Corn Belt.

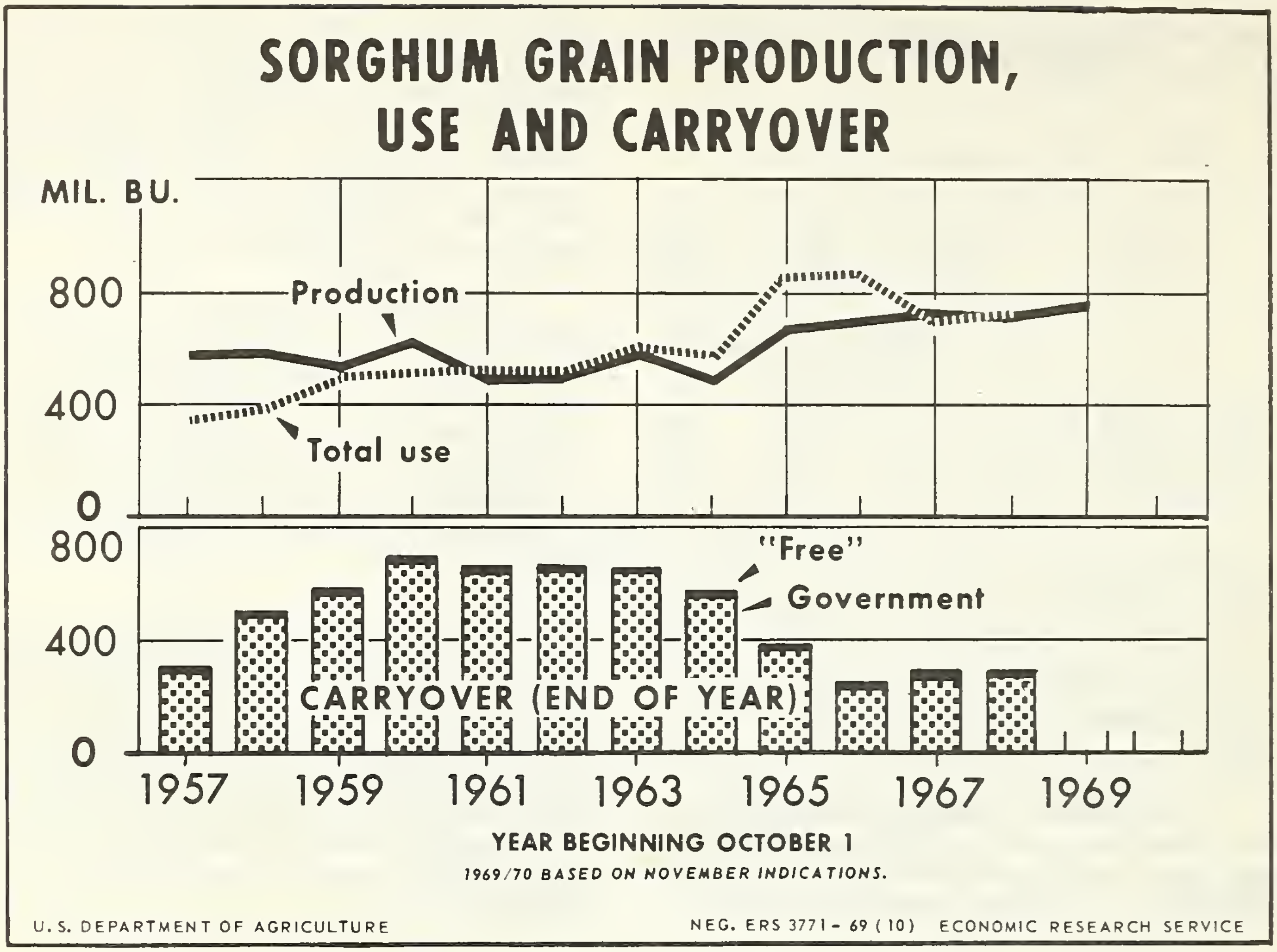
GRAIN SORGHUM

Strong Prices Likely

With more cattle on feed in the Southwest and Central Plains, grain sorghum prices this winter likely will be relatively strong. Prices received by farmers in mid-October averaged $1.91 per cwt., 30¢ above the loan and the highest for that month since 1956, and continued firm in November. The higher prices have occurred despite a big crop.

Large requirements by feedlot operators and a pickup in exports contributed to the more than usual price rise last summer. Prices likely will continue well above last year's this fall and winter but are not expected to make as sharp a rise during the marketing year as they did in 1968/69. Supporting the higher prices this fall is the sharp increase in cattle feeding in States that produce and consume large quantities of grain sorghum.

Cattle on feed in:	Oct. 1, 1969	% change from-- Oct. 1, 1968	July 1, 1969
	1,000 head		
Tex.	1,342	+48	+12
Neb.	1,160	- 1	- 3
Calif.	1,098	+ 4	+ 2
Colo.	670	+20	+ 3
Kan.	745	+31	+21
Ariz.	450	+35	0
Okla.	218	+22	+11
N.M.	187	+17	- 4
Total	5,870	+19	+ 5



Producers participating in the 1969 Feed Grain Program probably will put less grain sorghum under loan than in 1968 when they entered 74 million bushels under the program. Most of the sorghum put under loan in recent years has either been redeemed or resealed as prices have averaged above the loan rate.

Supply Little Changed

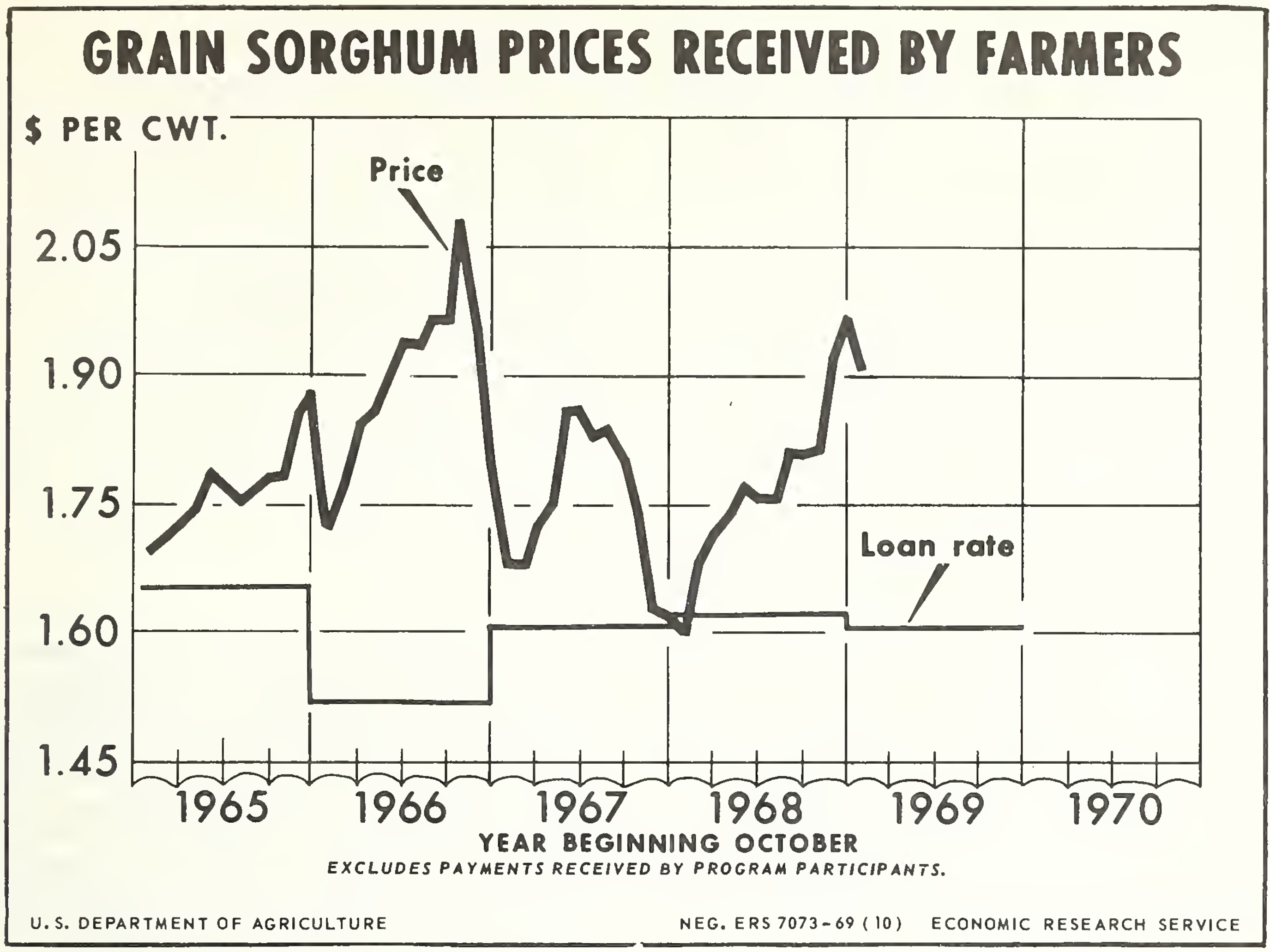
The grain sorghum supply of 1,046 million bushels for the 1969/70 season is only a shade more than last year's. The crop forecast at 757 million bushels is 18 million more, while the 289-million-bushel carryover of old sorghum on October 1 was the same as a year ago. Record yields are being made in Kansas and Nebraska, but wet fields, lodging, and high-moisture content in parts of the Southwest brought some slippage in yields and quality. Production is up 12% in the Kansas-Nebraska area, but is off 5% in Texas.

Domestic Demand Again Strong

With more cattle on feed (particularly in the Southwest), domestic demand for grain sorghum in 1969/70 likely will continue strong. Domestic feeding in 1968/69 was 620 million bushels, the highest ever. Feed consumption in 1969/70 probably will exceed that level by around 5 to 10%.

Exports to Continue Low

Grain sorghum exports in 1968/69 totaled 106 million bushels, down 36% from 1967/68. There does not seem to be much chance for improvement this season. Prospects for a strong domestic demand may result in grain sorghum prices being relatively high compared with corn.



EXCLUDES PAYMENTS RECEIVED BY PROGRAM PARTICIPANTS.

U.S. DEPARTMENT OF AGRICULTURE NEG. ERS 7073-69 (10) ECONOMIC RESEARCH SERVICE

Table 6.--Grain sorghum price support activity and farm prices, 1967-69 crops

Month	[Loan-$1.61]		[Loan-$1.62]		[Loan-$1.61]	
	1967		1968		1969	
	Placed under loan (cumulative)	Farm price per cwt.	Placed under loan (cumulative)	Farm price per cwt.	Placed under loan (cumulative)	Farm price per cwt.
	Mil. bu.	Dol.	Mil. bu.	Dol.	Mil. bu.	Dol.
July	---	2.08	---	1.74	---	1.82
August	---	1.95	5	1.63	2	1.92
September	1	1.80	6	1.62	2	1.97
October	5	1.68	16	1.60	6	1.91
November	25	1.68	39	1.68		
December	41	1.73	51	1.72		
January	59	1.75	69	1.74		
February	61	1.86	71	1.77		
March	62	1.86	72	1.76		
April	62	1.83	73	1.76		
May	63	1.84	73	1.81		
June	64	1.80	74	1.81		
Total and av. 1/	64	1.77	74	1.69		

1/ Prices are the season average for the marketing year.

Sorghum prices normally average about 88% of corn prices at Gulf ports. During the past 2 years, sorghum prices have been around 95 to 100% of corn, making corn more attractive to foreign buyers. In mid-November, sorghum prices were 96% of corn at the Gulf.

Exports in 1969/70 will hinge primarily on the Japanese demand for U.S. sorghum. Japan currently takes about four-fifths of our commercial-dollar exports. Japan also is a principal importer of South African feed grains, but South African supplies will be short until the harvest of the 1970 crop.

Total Use to Exceed Crop

If the expected expansion in domestic use is realized in 1969/70, the crop would fall somewhat below total requirements, reducing the October 1, 1970, carryover. "Free" supplies for 1969/70 are estimated at 786 million bushels compared with 778 million a year earlier. With total use estimated at 770 million bushels and allowing for year-ending "free" stocks, some 10 to 20 million bushels would have to come from Government positions. As of October 1, farmers had about 60 million bushels under loan and CCC owned nearly 200 million.

BARLEY

Price Picture Not Too Bright for Producers

Two consecutive large barley crops have drawn prices down to relatively low levels. Prices received by farmers during July-October averaged 87¢ a bushel, the the same as a year earlier but 11¢ below the 1963-67 average for that period.

As the season progresses, prices probably will continue to rise from their August low of 82¢. However, they likely will not move up as sharply as they did in 1968/69 when they rose 23¢ per bushel from August to June. Last year's sharp rise was due almost entirely to the large amount (116 million bushels or 28% of the crop) put under loan which tightened "free" supplies.

In 1969 the loan rate was reduced to 83¢ per bushel from 90¢ last year as this year's program also includes price support payments. So far this season, producers are putting considerably less barley in the loan program than last year. Through October, only 32 million bushels were entered under loan compared with 73 million a year ago. The most barley ever was under reseal on November 1. The bulk of this was 1967 and 1968-crop barley which would require a repayment of 95¢ to 98¢ a bushel (U.S. average) next spring to redeem.

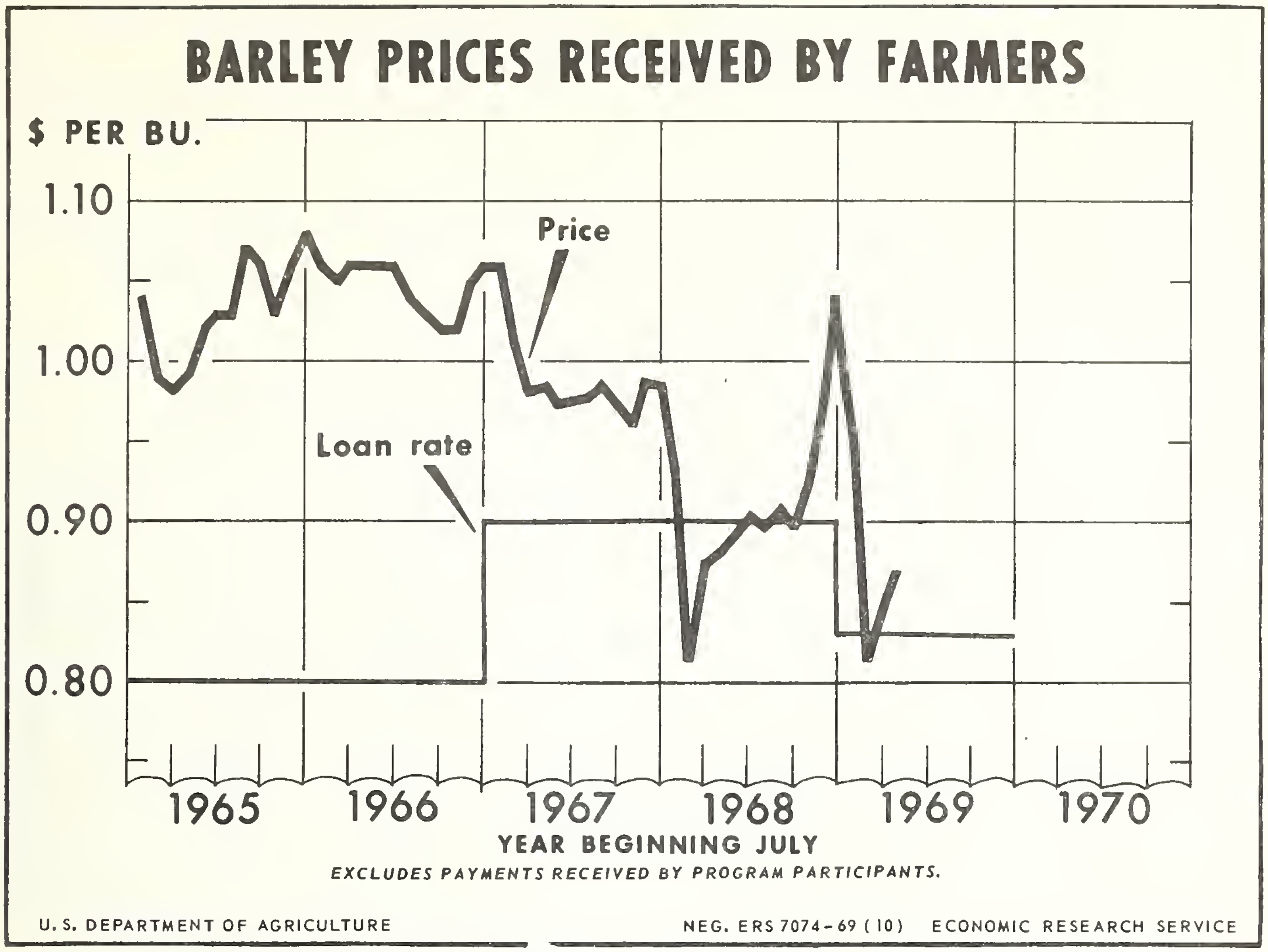
Participants in the 1969 program earn support payments in addition to market prices. Average payments earned by 1969 participants cannot be determined until acreage diversion compliance has been computed. The season average price (excluding payments) may be a little under the 90¢ of 1968/69. But support payments will give a boost to the average price to participants. In 1966 (the last year support payments were made), support payments to participants averaged 17¢ a bushel.

Heavy Usage Expected

With relatively lower prices to buyers this year, domestic usage of barley is expected to increase--possibly by 10 to 15% from the 356 million bushels of 1968/69. Most of the increase will be in feeding. Last year's feeding was 225 million bushels--the highest since the 1964/65 season. Industrial (alcoholic beverages) and food usage has moved steadily upward during the last decade or an annual average increase of 4 million bushels. This trend is likely to continue in 1969/70.

Export Situation Dim

U.S. exports of barley have declined in recent years due primarily to reduced European demand for U.S. barley. In the early 1960's, Western Europe was



EXCLUDES PAYMENTS RECEIVED BY PROGRAM PARTICIPANTS.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 7074-69 (10) ECONOMIC RESEARCH SERVICE

Table 7.--Barley price support activity and farm prices, 1967-69 crops

Month	[Loan-90 cents]				[Loan-83 cents]	
	1967		1968		1969	
	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel
	Mil. bu.	Dol.	Mil. bu.	Dol.	Mil. bu.	Dol.
July	1	1.06	8	.93	2	.95
August	4	1.01	31	.81	4	.82
September	16	.98	54	.88	20	.86
October	25	.98	73	.88	32	.87
November	29	.97	84	.89		
December	32	.98	89	.90		
January	39	.98	102	.90		
February	41	.98	106	.91		
March	43	.97	109	.90		
April	45	.96	113	.92		
May	46	.99	115	.98		
June	47	.98	116	1.04		
Total and av. 1/	47	1.00	116	.90		

1/ Prices are the season average for the marketing year.

the traditional market, taking about 70-75% of U.S. barley exports, totaling between 60 and 85 million bushels yearly. In 1968/69, exports were down to a meager 11 million bushels (grain only); Europe took less than half of the total.

U.S. barley exports, 1960-68 1/

Year beg. July 1	U.S. total	To Europe	Europe's share
	Mil. bu.	Mil. bu.	Pct.
1960	83	58	70
1961	82	63	77
1962	64	45	70
1963	68	39	57
1964	58	32	55
1965	75	49	65
1966	43	23	53
1967	30	13	43
1968	11	4	36

1/ Grain only.

Europe also has been expanding its barley production in recent years, and the difference between its imports and exports has narrowed. In the 1950's, NET imports were well over 100 million bushels; in the 1960's, mostly less than 100 million. For the markets that remain, either in Europe or elsewhere, competition has become more severe. France, aided by EC subsidies, exports large amounts to Eastern Europe, Japan and Switzerland. Canada and Australia have large barley crops and are attempting to expand exports.

Western Europe's barley trade

	Imports	Exports	Net Imports
	- - Million	bushels	- -
1951	122	3	119
1952	170	22	148
1953	171	18	153
1954	181	29	152
1955	163	24	139
1956	233	46	187
1957	212	92	120
1958	215	39	176
1959	218	28	190
1960	195	49	146
1961	192	116	76
1962	216	78	138
1963	163	96	67
1964	204	143	61
1965	222	122	100
1966	229	151	78
1967	227	183	44
1968	187	192	- 5

Carryover to Increase Again

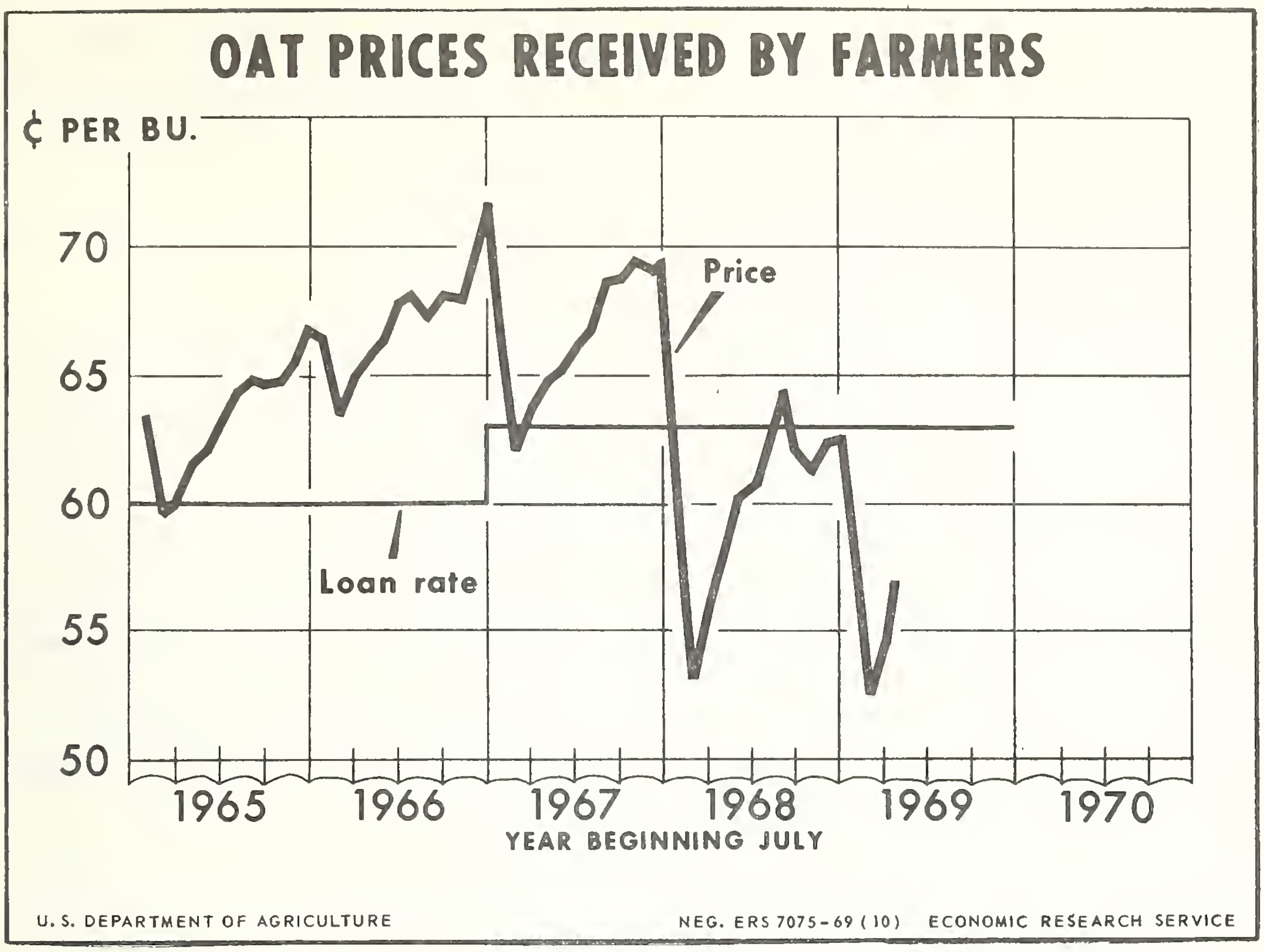
Even with prospects for a moderate increase in domestic usage, the large back-to-back crops likely will result in the July 1, 1970, carryover increasing for the fifth consecutive year. The 197-million-bushel carryover of the past July 1 was the largest ever. Stocks under loan and owned by CCC next July 1 also will continue to be relatively large.

OATS

Low Prices Accompany Large Crop

Average prices received by farmers for oats in mid-October were 57¢ a bushel, 1¢ under a year earlier and 6¢ below the loan. Relatively low prices this season are largely due to the big 1968 and 1969 crops. The 1968 crop was about 100 million bushels larger than requirements. Although more of the 1969 crop is expected to be used, large overall supplies have depressed prices.

Prices this winter probably will continue to rise from their August low of 53¢. In 1968/69, prices rose from a low of 53¢ in August to 64¢ in February. Much of that rise was attributed to a severe winter and the vigorous use of the


OAT PRICES RECEIVED BY FARMERS

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 7075-69 (10) ECONOMIC RESEARCH SERVICE

Table 8.--Oat price support activity and farm prices, 1967-69 crops

Month	[Loan-63 cents]					
	1967		1968		1969	
	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel	Placed under loan (cumulative)	Farm price per bushel
	Mil. bu.	Cents	Mil. bu.	Cents	Mil. bu.	Cents
July	---	67	1	61	4	58
August	4	62	19	53	16	53
September	17	64	42	56	64	55
October	25	65	60	58	97	57
November	27	65	67	60		
December	30	66	72	61		
January	33	67	80	62		
February	34	69	82	64		
March	35	69	84	62		
April	36	69	87	61		
May	36	69	89	62		
June	36	69	89	62		
Total and av. 1/	36	66	89	60		

1/ Prices are the season average for the marketing year.

price support program. Oat producers put a record 89 million bushels of their 1968 crop under loan. Over half of this is still under loan.

With the "free" supplies large relative to expected needs, the key to prices this year again will be loan activity by producers. Since prices have been under the loan rate, farmers are again putting substantial quantities of their 1969 oats in the loan program. All oat producers are eligible to participate in the loan program.

"Free" stocks on October 1 are estimated at 784 million bushels, slightly below a year earlier (table 4). Total use for October-June is forecast at a little over 600 million. Prices for the season may average no higher than the 60¢ a bushel received for the 1968 oat crop.

Supplies Are Large

The starting oat supply for 1969/70 is 1,312 million bushels, 107 million more than last year and the largest since 1961/62. The larger supply is due mainly to an increase in the July 1 carryover. This year's crop, estimated at 938 million bushels, is not much different from 1968 production.

Use Expected to Increase

With oats being an attractive buy, usage in 1969/70 may nearly equal the 1969 crop. Feeding may be up about 10 to 15% from 1968/69. Food and industrial uses may increase to maintain per capita consumption of breakfast foods. Seed usage, however, could drop some. Exports probably will continue to be relatively small. In the first quarter of the current marketing season, domestic use totaled close to 300 million bushels, 10% above a year earlier. Only a little over 1 million bushels had been exported, compared with 3 million a year ago. Oatmeal accounted for over half of the shipments.

TOTAL FEED CONCENTRATES

Feed Concentrates Supply Up Slightly

The supply of all feed concentrates for 1969/70 was estimated in November at 259 million tons, 4 million more than last year and 15 million above the 1963-67 average. This season's rise over 1968/69 was due to a small increase in feed grains and prospects for increased feeding of soybean meal. Wheat feeding for the 1969/70 (October-September) feeding year may be a little below the 6 million tons fed in 1968/69, the most since World War II. Allowing for the increase in grain-consuming animal units, the total feed concentrate supply per animal unit would be about the same as in the last 2 years and also near average.

Feeding Expected to Continue Heavy

Feeding of grains and other concentrates to livestock is expected to continue heavy in 1969/70, probably going 4 or 5 million tons above the record 172 million fed in 1968/69. The latest estimate of domestic feed grain consumption in 1968/69 was reduced about 3 million tons from the August estimate as a result of the increase in the feed grain carryover and a pickup in exports in the last quarter.

During the past 20 years, the rate of feeding has been influenced, among other factors, by the price of feed as related to livestock prices. There also has been a general upward trend in the rate of feeding concentrates per animal--principally to dairy and beef cattle.

In 1968/69, the ratio of livestock prices to feed prices was the highest in more than 20 years (table 11). The rate of feeding per animal unit increased from .91 ton in 1967/68 to .94 in 1968/69, close to the previous record high of 1965/66. Livestock prices are expected to

Table 9.--Feed concentrate balance, number of animal units, and feed per unit, average 1963-67, annual 1964-69

Item	Year beginning 1/						
	1963-67 average	1964	1965	1966	1967	1968 2/	1969 3/
	Million tons						
Supply							
Carryover-beginning of year 1/	53.5	69.3	54.8	42.1	37.1	48.3	50.2
Production of feed grains:							
Corn	114.6	97.6	114.4	115.3	133.3	122.5	124.4
Sorghum grain	18.0	13.7	18.8	20.0	21.2	20.7	21.2
Oats	13.9	13.6	14.8	12.8	12.6	14.9	15.0
Barley	9.3	9.3	9.4	9.5	8.9	10.0	10.0
Total production	155.8	134.2	157.4	157.6	176.0	168.1	170.6
Imports of feed grains	.3	.4	.3	.3	.3	.3	.3
Wheat and rye fed	3.5	3.5	3.6	3.9	4.6	6.0	4.5
Byproduct feeds fed	30.8	30.2	31.1	31.2	31.1	32.9	33.5
Total supply of all concentrates	243.9	237.6	247.2	235.1	249.1	255.6	259.1
Utilization (October-September)							
Concentrates fed 4/							
Corn	89.7	82.8	93.7	92.0	95.8	98.2	100.5
Sorghum grain	14.4	11.5	15.9	16.8	14.8	17.3	18.7
Oats	11.9	11.9	11.9	11.7	10.8	11.8	12.7
Barley	5.3	5.4	4.8	5.2	5.1	5.6	6.4
Wheat and rye	3.5	3.5	3.6	3.9	4.6	6.0	4.5
Oilseed meals	12.7	12.4	13.3	13.0	12.6	14.0	14.6
Animal protein feeds	3.5	3.3	3.3	3.6	3.8	3.5	3.3
Grain protein feeds	2.2	2.1	2.2	2.3	2.3	2.3	2.4
Other byproduct feeds	12.4	12.4	12.3	12.3	12.4	13.1	13.2
Total concentrates fed	155.6	145.3	161.0	160.8	162.2	171.8	176.3
Feed grains							
Food, industry and seed	14.9	14.6	15.0	15.1	15.5	15.8	16.0
Exports	22.9	21.9	29.1	21.9	23.0	18.3	19.7
Total utilization	193.4	181.8	205.1	197.8	200.7	205.9	212.0
Utilization adjusted to marketing year 5/	193.7	182.8	205.1	198.0	200.8	205.4	212.1
Carryover-end of year	50.2	54.8	42.1	37.1	48.3	50.2	47.0
Grain-consuming animal units (Mil.)	174.0	169.1	170.1	178.9	178.8	182.0	186.0
Supply of all concentrates per animal unit (Tons)	1.40	1.41	1.45	1.31	1.39	1.40	1.39
All concentrates fed per animal unit (Ton)	.89	.86	.95	.90	.91	.94	.95

1/ Corn and sorghum grain October 1; oats and barley July 1.
2/ Preliminary.
3/ Preliminary; estimates based on indications in November 1969.
4/ Total quantities fed, including domestically produced and imported grains and byproduct feeds.
5/ Oats and barley July-June; other grains and concentrates October-September.

Table 10.--Grain-consuming animal units, United States, average 1963-67, annual 1963-69

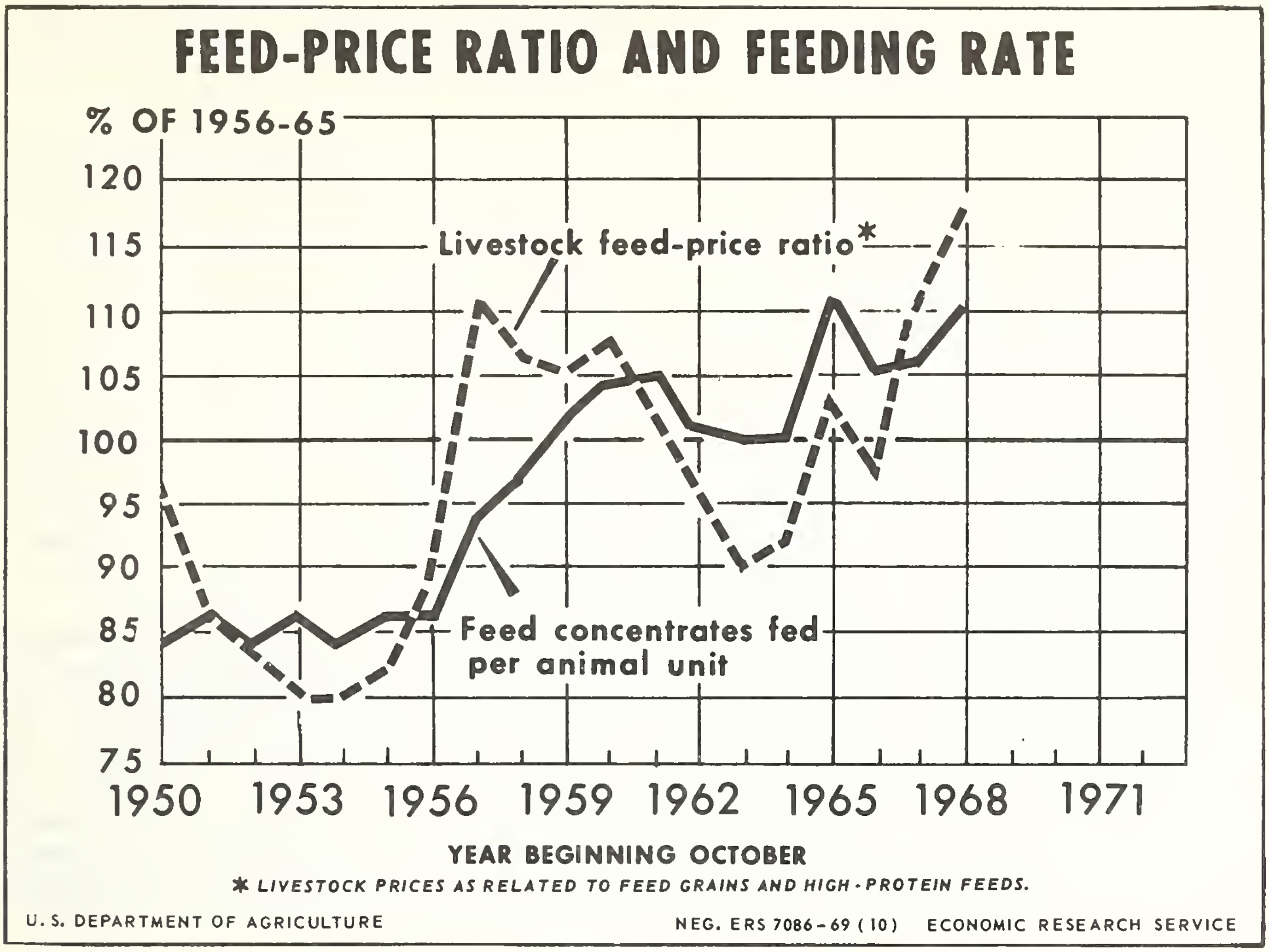
Type of livestock	Year beginning October: Average 1963-67	1963	1964	1965	1966	1967	1968 1/	1969 2/
	Million units							
Dairy cattle	19.5	21.4	20.6	19.4	18.4	17.8	17.3	16.8
Cattle on feed	21.2	19.6	19.9	21.1	22.5	22.7	24.8	26.9
Other cattle	11.9	11.5	11.9	11.9	11.9	12.1	12.1	12.1
Hogs	62.8	65.7	60.0	58.2	64.2	66.0	66.4	66.9
Poultry	54.0	50.1	52.1	55.0	57.4	55.7	57.0	58.8
Sheep	0.9	1.0	0.9	0.8	0.8	0.8	0.7	0.8
Horses and mules	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Total	174.0	173.0	169.1	170.1	178.9	178.8	182.0	186.0

1/ Preliminary.
2/ Based on November 1969 indications.

Table 11.--Livestock/feed price ratios and feeding rates per animal unit, 1955-68

Year beginning October	Livestock prices 1/	Feed prices			Ratio 4/	Feeding rates			
		Feed grains 2/	High-protein feeds 2/	Average weighted 3/		Feed concentrates fed per animal unit		High-protein feeds fed per animal unit	
	1956-65=100					Quantity	1956-65=100	Quantity	1956-65=100
	- - - - Percent - - - -					Ton	Pct.	Pounds	Pct.
1955	88	112	87	107	82	.74	86	182	85
1956	93	109	83	104	89	.74	86	193	90
1957	105	96	91	95	111	.81	94	203	95
1958	103	97	95	97	106	.83	97	215	99
1959	98	94	88	93	105	.87	101	211	97
1960	99	91	93	92	108	.89	104	217	100
1961	99	96	99	97	102	.90	105	224	103
1962	98	100	110	102	96	.87	101	225	104
1963	93	101	108	103	90	.86	100	223	103
1964	98	107	108	107	92	.86	100	223	103
1965	114	108	124	111	103	.95	111	231	107
1966	110	111	122	113	97	.90	105	224	103
1967	111	97	117	101	110	.91	106	227	105
1968 5/	122	100	114	103	118	.94	110	233	108

1/ Index of prices received by farmers for livestock and livestock products (1957-59=100) converted to 1956-65=100. 2/ Indexes of prices received by farmers for feed grains and wholesale prices of high-protein feeds (1957-59=100) converted to 1956-65=100. 3/ Feed grain prices x .80 and high-protein feeds x .20. 4/ Livestock price index divided by the weighted feed price index. 5/ Preliminary.


FEED-PRICE RATIO AND FEEDING RATE

* LIVESTOCK PRICES AS RELATED TO FEED GRAINS AND HIGH-PROTEIN FEEDS.

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continue high in relation to feed prices in 1969/70, and the rate of feeding is expected to continue at a high level.

Livestock/Feed Price Ratios Continue Favorable

Livestock/feed price ratios are expected to continue favorable in 1969/70. During the past year, prices of practically all of the livestock and livestock products have been higher than average in relation to feed prices. The hog/, beef cattle/, and dairy/feed price ratios were all much above average (table 1). Egg and broiler price ratios also were higher than in most recent years. The ratios have continued generally favorable this fall. Ratios in October were generally above those of a year earlier.

Livestock/feed price ratios

Ratio	October			
	1963-67 Average	1967	1968	1969
Hog/corn	16.3	17.3	18.6	22.1
Beef/corn 1/	21.1	23.5	26.7	25.1
Milk/feed	1.56	1.68	1.85	1.85
Broiler/feed	2/3.0	2.7	3.0	3.3
Turkey/feed	2/4.7	4.3	4.9	5.0
Egg/feed	2/8.6	6.8	9.6	10.0

1/ Beef steer/corn ratio Chicago; all others based on U.S. average prices.
2/ 1964-68 average.

The hog/corn ratio has increased this fall with advancing hog prices.

Based on U.S. prices, it averaged 22.1 in October--well above a year earlier and the highest since December 1965. Hog prices are expected to continue high in relation to corn during much of the 1969/70 feeding year. The price of beef cattle at Chicago is a little lower this fall in relation to corn than a year ago, but it continues well above average. The milk/feed price ratio, which was at a record high in 1968/69, is expected to continue at a high level during 1969/70. While prices of poultry and eggs may be a little lower in relation to feed in 1969/70 than during the past year, they probably will be near or above the 5-year average.

Wheat Feeding Close to 200 Million Bushels

Relatively low wheat prices during the past year and rising corn prices brought a further increase in wheat feeding. Feeding was especially heavy during July-September when it reached an estimated 141 million bushels, slightly above that quarter of 1968 and the highest for any quarter since World War II. This brought the estimated quantity fed during the 1968/69 (October-September) feeding year to close to 200 million bushels or 6 million tons.

Wheat feeding is expected to continue heavy in the 1969/70 feeding year, although it may decline from the very high level of the past year. The quantity fed this fall and winter probably will be at least as large as in the same period of 1968/69. Feeding in the second half of the current feeding year, however, will depend to a considerable extent on the size of the 1970 wheat crop. With a closer balance between wheat production and requirements next year, wheat feeding next summer would be expected to fall below the high rate reached this past summer.

Wheat prices, which were unusually low in relation to corn prices last summer, have been advancing seasonally in relation to corn in recent months. In October, the U.S. average price of wheat was $2.13 per 100 pounds or 6% above corn; during June-August, wheat prices averaged below corn. October wheat prices were still below corn in many of the Southern and Eastern States.

FEED GRAIN EXPORTS

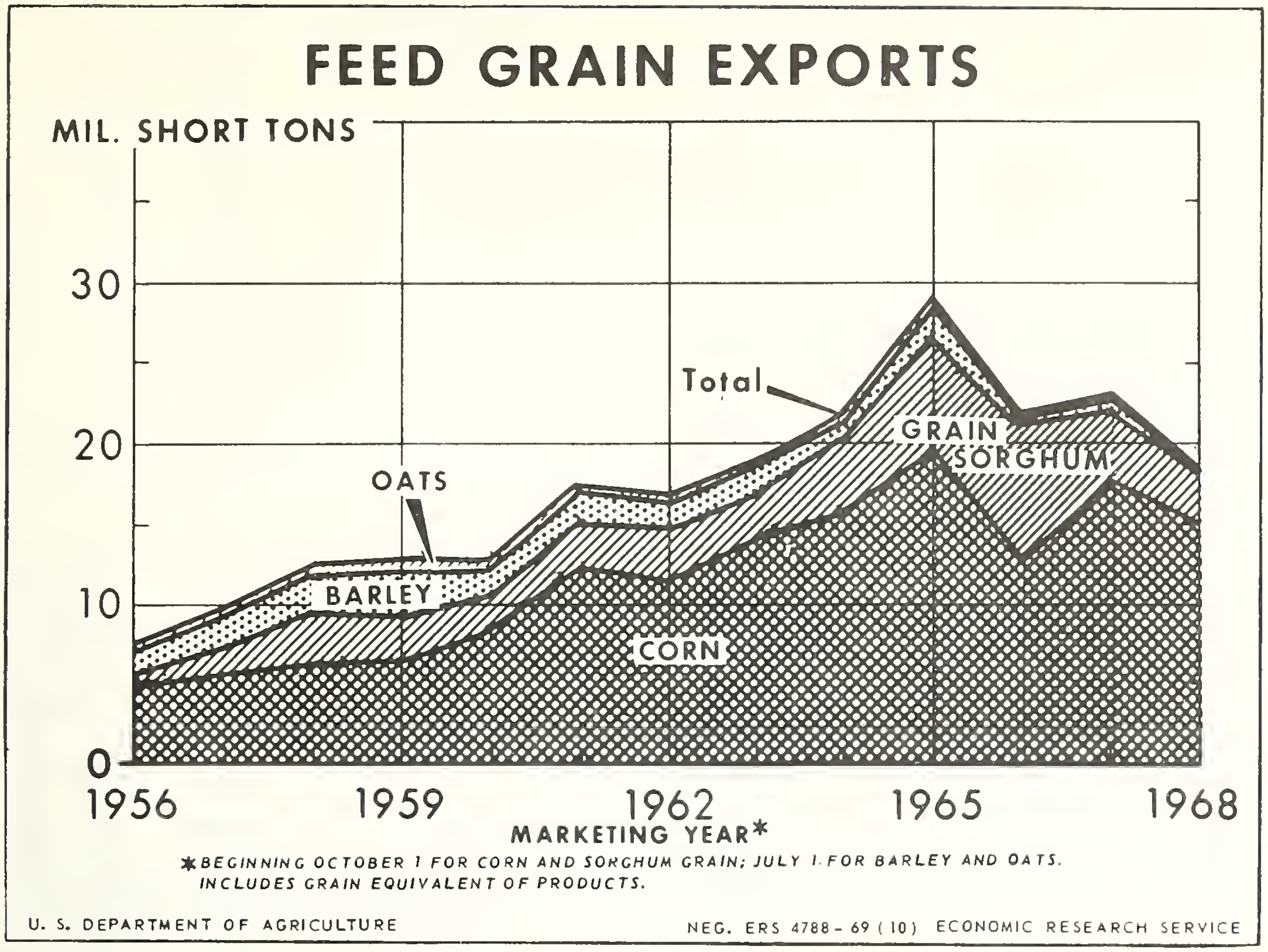
Larger Exports Likely in 1969/70

Feed grain exports in 1969/70 are expected to exceed last year's level with heavier movement in prospect this fall and winter. Present indications are for an increase of around 5 to 10% over last year's 18.4 million tons, with all of the increase in corn.

Feed grain exports have increased sharply since last spring. During July-September, 6.1 million tons were exported--the largest for any quarter since October-December 1967. During the past 3 years, exports dropped off sharply from the record high of 29 million tons in 1965/66, due largely to increased feed grain production in Europe and increased competition from other exporting countries.

While feed grain supplies (including wheat for feed) are large again in Europe this year, there will be less competition for the European market this fall and winter. Exports in October-March are expected to be well above those of a year earlier, due to less grain available from Argentina and South Africa. Also, exports in that period last year were curtailed substantially by the dock strike.

There is much more uncertainty as to the level of exports in the last half of the marketing year. Much will depend on the outcome of the Argentine and South African corn crops and prospects for 1970 European feed grain and wheat.



Corn Exports May Be Up 10 to 15%

Exports of corn in 1969/70 may be around 10 to 15% above the 536 million bushels exported in 1968/69. Much of this increase will come during the first half of the marketing year, when the United States is the principal source of corn in world markets. While exports of all feed grains have declined in the past 3 years, the decline in corn has been much less than for the other 3 feed grains. In 1968/69, corn made up about 82% of our total exports of 18.4 million tons. Corn is expected to make up an even larger percentage of the total movement in 1969/70.

Export Prospects Dim for Grain Sorghums

Grain sorghum exports, which have dropped more than 50% during the past 2 years, have little chance for improvement in 1969/70. The export of 106 million bushels in 1968/69 was down sharply from the record movement of 266 million bushels 3 years ago. During the past 3 years, commercial exports dropped from 174 million bushels to only 84 million. Exports under Government programs dropped from 106 million to only 22 million, as shipments to India have been reduced following the record grain production in that country.

Little Improvement Seen for Oats and Barley

Exports of oats and barley, which have been declining in recent years, probably will show little improvement in 1969/70. Large supplies of barley and wheat in Europe will again reduce the demand for these grains during the coming year. Furthermore, the big supplies in Canada will continue to compete with the United States in world markets. Exports of both

Table 12.--Feed grains: United States exports, by countries of destination, 1967-68 1/

Country	October-September				July-June				Marketing year total	
	Corn, including seed		Sorghum grain		Barley		Oats		4 feed grains	
	1967	1968	1967	1968	1967	1968	1967	1968	1967	1968
	1,000 bushels								1,000 short tons	
Western Hemisphere:										
Canada	48,504	71,843	501	1,021	997	1,106	679	53	1,407	2,068
Mexico	950	513	3,531	932	72	129	121	294	129	48
Others	14,738	10,786	752	619	914	1,926	234	235	459	369
Total	64,192	83,142	4,784	2,572	1,983	3,161	1,034	582	1,995	2,485
Europe:										
EEC										
Belgium-Luxembourg	22,123	19,924	11,773	1,495	222	47	568	414	964	607
France	11,399	2,628	42	122	0	0	0	0	320	77
Germany, West	53,623	31,084	2,939	94	1,212	980	839	0	1,626	897
Italy	78,595	62,978	64	67	8,485	2,111	425	0	2,413	1,816
Netherlands	119,869	72,719	10,935	1,613	344	0	2,089	2,333	3,704	2,119
EEC sub-total	285,609	189,333	25,753	3,391	10,263	3,138	3,921	2,747	9,027	5,516
Austria	7	11	0	0	---	0	0	0	0	0
Denmark	164	26	0	0	1,028	0	0	0	29	1
Greece	7,560	11,231	2	0	0	0	0	0	212	314
Ireland	2,993	558	0	202	0	0	0	0	84	21
Norway	2,291	11	4,519	593	0	0	0	0	191	17
Poland	10,709	8,714	2,271	0	1,077	0	0	0	389	244
Spain	32,750	11,633	1,271	32	0	0	0	0	953	327
Switzerland	1,781	3,353	22	99	566	0	562	0	73	97
United Kingdom	65,336	55,572	44	0	0	0	0	509	1,831	1,564
Others	18,574	14,205	5,978	101	0	615	2	0	687	415
Total (incl. EEC)	427,774	294,647	39,860	4,418	12,934	3,753	4,485	3,256	13,476	8,516
Asia:										
India	1,291	835	22,002	11,609	0	0	0	0	652	348
Israel	6,068	4,294	17,863	15,654	0	0	0	0	670	559
Japan	102,358	121,231	81,238	70,370	5,549	311	2	0	5,274	5,372
Korea, Republic of	3,763	6,289	0	0	7,841	3,226	0	0	294	254
Syria	0	0	0	0	0	0	0	0	0	0
Others	3,632	3,799	1	130	10	0	0	0	102	110
Total	117,112	136,448	121,104	97,763	13,400	3,537	2	0	6,992	6,643
Africa:										
Egypt	0	2,061	0	0	0	0	0	0	0	58
Others	3,981	3,672	440	1,648	1,195	703	0	2	153	166
Total	3,981	5,733	440	1,648	1,195	703	0	2	153	224
Total to all countries	613,059	519,970	166,188	106,401	29,512	11,154	5,521	3,840	22,616	17,868

1/ Exports of grain only. Does not include corn exported under the food for relief or charity program.

Grain and Feed Division, Foreign Agricultural Service.

Table 13.--Feed grains: Exports under Government programs and commercial, United States, 1967 and 1968

Item	Corn		Oats		Barley		Sorghum grain		Total feed grains	
	Year beginning July									
	1967	1968 1/	1967	1968 1/	1967	1968 1/	1967	1968 1/	1967	1968 1/
	1,000 bushels								1,000 short tons	
Public Law 480										
Title I - Long-term credit										
Foreign currency	2,923	1,418	---	---	---	445	40,590	368	1,219	61
Dollars credit	11,213	7,311	---	---	---	666	8,069	18,021	540	725
Sub-total	14,136	8,729	---	---	---	1,111	48,659	18,389	1,759	786
Title II - Donations										
Government 2/	7,846	4,477	2,927	1,415	---	---	367	491	277	161
Voluntary relief 3/	5,656	4,226	2,104	1,552	---	---	576	457	208	156
Sub-total	13,502	8,703	5,031	2,967	---	---	943	948	485	317
Barter	21,190	30,720	143	138	---	---	2,274	2,516	658	932
Mutual security - A.I.D. 4/	54	---	4	---	---	---	---	2	2	---
Total Government programs	48,882	48,152	5,178	3,105	---	1,111	51,876	21,855	2,904	2,035
Commercial (cash sales) 5/	538,757	479,904	4,893	5,065	31,342	12,378	121,339	84,241	19,313	16,175
Total exports 6/	587,639	528,056	10,071	8,170	31,342	13,489	173,215	106,096	22,217	18,210

1/ Preliminary. 2/ Donations for disaster relief, economic development projects and world food programs. 3/ Donations to foreign countries through private U.S. relief and charity agencies. 4/ Authorized by P. L. 87-195: Includes expenditures under commodity programs, and economic development loans. 5/ Unassisted sales as well as those with Government assistance in the form of (a) extension of credit and credit guarantees for relatively short periods, (b) sales of Government-owned commodities at less than domestic market prices, and (c) export payments in cash or in kind. 6/ Includes grain equivalent of products.

Grain and Feed Division, Foreign Agricultural Service, USDA.

Table 14.--World feed grain exports, by major sources, average 1963-67, annual 1962-68

Country	Year beginning July							
	Average 1963-67	1962	1963	1964	1965	1966	1967	1968 1/
	1,000 short tons							
United States	22,310	16,928	17,936	19,959	28,441	23,561	22,217	18,210
Canada	1,193	747	1,399	1,121	1,099	1,171	1,176	509
Argentina	5,134	3,593	4,123	5,606	4,131	7,198	4,610	6,297
Australia	753	822	936	923	535	986	383	941
Republic of South Africa	1,638	2,542	2,811	852	303	670	3,556	2,738
France	3,536	1,380	3,646	3,321	3,074	3,193	4,446	6,701
U.S.S.R.	1,585	1,890	1,532	1,761	1,717	1,472	1,444	920
Other countries	7,683	5,645	6,398	6,760	7,523	9,399	8,335	7,163
Total World	43,832	33,547	38,781	40,303	46,823	47,650	46,167	43,479

1/ Preliminary.

Grain and Feed Division, Foreign Agricultural Service, USDA.

Table 15.--Exports of feed grains and processed feeds, United States, average 1962-66, annual 1965-68

Feed	October-September feeding year				
	Average 1962-66	1965	1966	1967	1968
			1,000 tons		
Feed grains					
Corn	14,898	19,245	13,638	17,733	14,997
Grain sorghum	4,941	7,448	6,954	4,653	2,979
Barley	1,525	1,804	1,041	508	259
Oats	271	591	251	134	100
Total	21,635	29,088	21,884	23,028	18,335
Oilseed meals					
Soybeans	2,050	2,602	2,657	2,899	3,085
Cottonseed	77	99	7	3	15
Linseed	79	114	93	104	78
Other oilseed meals	20	38	31	79	58
Total	2,226	2,853	2,788	3,085	3,236
Grain byproduct feeds					
Corn byproducts	260	407	345	542	691
Wheat millfeeds	46	93	24	32	30
Total	306	500	369	574	721
Alfalfa meal	1/360	377	345	373	441
Molasses	111	109	110	85	59
Formula feeds					
Poultry	152	174	159	146	124
Dairy	16	25	20	24	53
Other livestock 2/	17	14	20	25	25
Total	185	213	199	195	202
Grand total	24,823	33,140	25,695	27,340	22,994

1/ 3-year average 1964-66.
2/ July-June; 2-year average 1965-66.

oats and barley in 1969/70 probably will continue near the low levels in 1968/69. Exports of each of these grains in 1968/69 were less than a fourth as large as in the mid-1960's.

Combined Exports of All Feeds Total 23 Million Tons

Exports of all feeds (feed grains, byproduct feeds, and formula feeds) amounted to 23.0 million tons in 1968/69, about 4.3 million less than in 1967/68 and nearly 2 million below the 1962-66 average (table 15). While feed grain exports declined during this period, exports of most other feeds increased. Part of the 3-million-ton reduction in the feed grain exports since 1962-66 has been offset by larger exports of other feeds--especially soybean meal and corn byproduct feeds.

Oilseed meal exports in the 1968/69 (October-September) feeding year totaled about 3.2 million tons, 45% above the 1962-66 average. Exports of corn byproduct feeds totaled nearly 700,000 tons, more than double the average. Over 90% of these feeds went to Europe, principally to the EEC countries. 1/ Exports of alfalfa meal, principally to Japan, also have increased sharply in the last 10 years, totaling 441,000 tons in 1968/69. Formula feeds make up a rather small percentage of our total feed exports. About 200,000 tons were exported in 1968/69, a slight increase over the 2 preceding years.

Exports Under Government Programs Much Below 2 Years Ago

Exports of feed grains under Government programs have been substantially reduced from the high level of 2 years ago. In 1968/69, 2.0 million tons were exported under the programs, 30% below the preceding year and less than half of the 4.6 million tons in 1966/67. Most of the reduction was in shipments of grain sorghums to India from the very high 1966/67 level when sorghums supplemented the short wheat supplies. Grain sorghum exports under Government programs dropped from over 100 million bushels in 1966/67 to 22 million in 1968/69. Exports of corn under the programs were maintained in 1968/69 at 48 million bushels, or close to the level of a year earlier. Government exports of oats and barley have been comparatively small in recent years (table 13). Government exports in 1968/69 were about 11% of the total feed grain exports, much below the 19% in 1966/67.

European Feed Supplies Continue Large

European feed supplies for 1969/70 are again large, exceeding the big supplies of 1968/69. Feed grain production in Western Europe (barley, oats, and corn) totaled about 70 million short tons in 1969, slightly more than last year and an increase of nearly 40% since 1960-64. The 38.5 million tons produced in Eastern Europe was a little higher than last year and about a third above the 5-year average.

In addition to the large feed grain crops in Europe this year, carryover stocks are at a high level and large supplies of wheat are being made available for feed. The feed industry has been using more wheat, grain byproducts, and other feeds in the production of mixed feeds which are replacing some of the feed grains previously used by the industry. While general demand for feed in Europe continues strong, the large supplies of feeds-especially feed wheat--have limited the demand for imported feed grains.

Increasing Poultry Production Lifts European Feed Demand

Western Europe's demand for concentrate-type feeds has been expanded in recent years by the upward trend in poultry meat production. The principal ingredients of Western Europe's poultry rations are wheat, barley, corn, soybean meal and fish meal.

Poultry meat production in Western Europe has increased at a much faster rate than that of the United States in the last 2 decades. Production (ready-to-cook basis) in Europe now stands at 5.5 billion pounds, up 24% in the last 4 years and over 4 times the 1950-54 average. This is about twice the rate of increase for the United States, although European poultry production per capita is still only about a third that of the United States.

Phenomenal gains in poultry meat production have been made in some West European nations, while only nominal gains have been made in others (table 16). Poultry meat output in Spain, for example, has doubled in the last 4 years. In 1968, about 660 million pounds were produced, compared with around 325 million in 1965. In the last 4 years, production has increased more than a third in the Netherlands, West Germany, Greece, Sweden, and Norway.

1/ Information on exports of byproducts and prepared formula feeds by countries is carried in World Agricultural Production and Trade, October 1969, FAS, USDA.

Table 16.--Poultry meat production in the United States and Western Europe, 1950-68

[Ready-to-cook Basis]

Country	Average			1965	1966	1967	1968	% change 1965 to 1968
	1950-1954	1955-1959	1960-1964					
	Million pounds							
United States	4,220	5,480	7,173	8,170	8,994	9,410	9,140	+ 12
Western Europe	1,281	1,854	3,311	4,484	4,919	5,247	5,538	+ 24
France	459	589	820	1,036	1,058	1,094	1,102	+ 6
Italy	137	207	516	811	853	829	838	+ 3
Netherlands	33	93	214	353	414	472	505	+ 43
West Germany	128	176	258	335	388	450	463	+ 38
Belgium-Luxembourg	62	90	170	207	218	223	232	+ 12
United Kingdom	232	430	772	897	950	1,018	1,098	+ 22
Spain	18	27	209	324	467	567	661	+104
Denmark	51	64	139	146	150	146	143	- 2
Greece	24	35	49	73	90	101	126	+ 73
Portugal	24	20	20	1/ 95	95	97	101	+ 6
Austria	9	24	57	75	86	88	88	+ 17
Sweden	29	31	40	49	57	64	77	+ 57
Ireland	60	46	42	46	49	55	55	+ 20
Switzerland	7	9	15	27	29	31	33	+ 22
Norway	7	9	7	7	9	9	11	+ 57
Finland	4	4	4	4	4	4	4	0

1/ New series begins.

From Indices of Agricultural Production in Western Europe 1950-68, ERS, USDA, ERS-Foreign 266, July 1969.

Poultry is meeting the change in European consumer's eating habits from less carbohydrate foods to more meats. Commercial poultry production enterprises seem to be the answer to scarce land resources in Europe. Relatively large poultry enterprises can be operated with limited use of land.

Although per capita production of poultry meat has slowed or tended to level off in some European countries, continued expansion in the larger poultry-consuming countries is more than offsetting. Thus, Western Europe's feed concentrate needs should continue to expand. The continent probably will continue to expand production of grain crops, but will also continue to import large quantities of feed ingredients to meet increasing needs for formula feeds. U.S. exporters probably will continue to share in this growing demand for corn and soybean meal--major ingredients of poultry rations.

Canadian Oat and Barley Supplies Up Sharply

Canadian supplies of feed grains for 1969/70 are substantially larger than a year ago and well above the 5-year average. The barley supply, including a record carryover and a big 1968 crop, totaled 587 million bushels, 29% larger than last year and 75% above the 1963-67 average. The oat supply of 514 million bushels is 17% above a year earlier, but only about equal to the 5-year average. The Canadian corn crop of 71 million

Table 17.--Western European corn imports, 1950-68

Country	Year beginning July Average 1950-1954	1955-1959	1960-1964	1965	1966	1967	1968
	Million bushels						
Total Western Europe	152	242	387	743	724	671	1/687
Belgium-Luxembourg	15	18	25	34	39	38	43
France	17	11	16	24	20	21	18
West Germany	19	29	57	96	101	96	88
Italy	5	29	116	215	197	120	194
Netherlands	17	35	65	79	87	98	66
Austria	12	15	14	18	8	6	6
Denmark	1	3	6	8	9	8	6
Norway	3	2	3	4	4	3	2/
Portugal	2	1	2	10	9	11	13
Sweden	3	2	2	2	2	2	2
Switzerland	3	3	5	8	9	8	2/
United Kingdom	50	86	139	140	133	150	136
Finland	1	2	2	1	1	1	2/
Greece	---	2	4	7	9	7	11
Ireland	3/7	3	4	4	5	4	5
Spain	1	2	28	93	90	96	87

1/ Includes allowance for countries for which data are not yet available. 2/ Not yet available. 3/ 1952-54 average.

From World Grain Trade Statistics, Food and Agriculture Organization of the United Nations, Rome, Italy, 1963 and 1968 issues; 1968 data from Grain Division, FAS.

bushels is about 10 million below a year earlier, although much larger than in most other recent years. The larger supplies of feed grains this year will provide ample grain for export as well as permit increased domestic use.

Argentine and South African Supplies Currently Small

Supplies of corn available for export from Argentina and South Africa are expected to be quite small this fall and winter pending harvest of the 1970 crops next spring. The Argentine supply of corn for 1969/70 (April-March marketing year) was estimated at 276 million bushels, about 4% larger than a year earlier. During April through October, about 120 million bushels of corn was exported from Argentina, 25 million more than in the same period of 1968.

The South African supply of corn for 1969/70 totaled 249 million bushels or 25% less than a year earlier. Exports of corn from South Africa have been negligible so far during 1969/70, totaling only about 1 million bushels during May-September, compared with 28 million bushels in that period last year.

The 1970 corn and grain sorghum crops in these 2 countries will have an important bearing on U.S. exports in the last half of the current marketing year. Present indications are for about the same corn acreage in Argentina as last

Table 18.--Canadian oats and barley: Acreage, yield, supply and disappearance, average 1963-67, annual 1964-69

Marketing year beginning August	Acreage harvested for grain	Yield per acre	Supply			Disappearance		
			August 1 stocks	Production	Total 1/	Domestic	Exports 2/	Total
	1,000 acres	Bushels	Million bushels					
			OATS FOR GRAIN					
Average 1963-67	8,339	44.8	139	374	513	377	12	389
1964	8,191	43.6	179	347	526	380	16	396
1965	8,656	47.9	130	400	530	387	16	403
1966	7,924	47.3	127	375	502	387	5	392
1967	7,436	40.9	110	304	414	333	4	337
1968 3/	7,556	48.0	77	362	439	308	3	311
1969 4/	7,855	49.2	128	386	514			
			BARLEY					
Average 1963-67	6,646	34.8	105	231	336	179	44	223
1964	5,455	30.6	118	168	286	160	37	197
1965	6,038	35.5	89	218	307	171	38	209
1966	7,461	40.4	98	301	399	208	59	267
1967	8,115	30.6	132	249	381	209	41	250
1968 3/	8,836	36.8	131	325	456	232	26	258
1969 4/	9,535	40.8	198	389	587			

1/ Includes imports which are normally quite small. 2/ Includes grain equivalent of products. 3/ Preliminary. 4/ Based on November indications.

Grain and Feed Division, Foreign Agricultural Service, USDA.

Table 19.--Argentine and Republic of South African corn: Acreage, yield, supply and disappearance, average 1963-67, annual 1964-69

Marketing year	Acreage harvested for grain	Yield per acre	Supply			Disappearance		
			Beginning stocks 1/	Production	Total	Domestic	Export	Total
	Mil. acres	Bushels	Million bushels					
			ARGENTINA (April-March)					
Average 1963-67	7.6	31.4	4	239	243	107	132	239
1964	7.3	28.7	5	211	216	82	132	214
1965	7.6	26.7	2	202	204	95	107	202
1966	8.1	34.2	2	277	279	112	158	270
1967	8.5	39.3	9	335	344	174	163	337
1968 2/	8.3	30.9	7	258	265	125	136	261
1969 2/	8.8	30.7	4	272	276			
			REPUBLIC OF SOUTH AFRICA (May-April)					
Average 1963-67	13.3	17.5	30	233	263	157	62	219
1964	12.8	13.2	44	168	212	146	43	189
1965	13.1	13.5	23	177	3/204	174	19	193
1966	14.2	14.0	11	199	3/216	170	19	189
1967	13.7	27.6	27	379	406	163	122	285
1968 2/	13.5	15.8	121	213	334	198	106	304
1969 2/	12.8	15.2	30	194	3/249			

1/ Unofficial estimates. 2/ Preliminary. 3/ Includes imports.

Grain and Feed Division, Foreign Agricultural Service, USDA.

year when 8.8 million acres were harvested, while some increase is in prospect for sorghums.

Conditions have been favorable for planting the South African corn and sorghum crops. Ample rainfall during the last half of October provided excellent conditions for land preparation and for planting the 1970 crops.

Japan Heavy Importer of U.S. Feed Grains

Japan has continued to expand its imports of U.S. feed grains in recent years, while U.S. exports to many other countries have been declining. In 1968/69, Japan was by far the leading importer of U.S. feed grains (table 12). The 5.4 million tons exported to Japan was slightly higher than in 1967/68 and made up about 30% of our total exports.

While our exports to Japan are expected to continue large, we are meeting increased competition from other countries. Argentina, South Africa and France have increased their exports of feed grains to Japan during the last 2 or 3 years. The United States supplied 51% of the total feed grains imported by Japan in 1968/69, a little below the 55% in 1967/68.

PROCESSED FEEDS

Another Increase in High-Protein Feed Supplies

High-protein feed (44% protein basis) supplies available for feeding in 1969/70 are expected to reach about 19 million tons, or 0.4 million more than in 1968/69. Heavier feeding of soybean meal is in prospect; cottonseed meal feeding is expected to be lower, while little change is likely for linseed, peanut and copra meals.

High-protein consuming livestock in 1969/70 are forecast at 164 million units, around 4 million more than in 1968/69. The feeding rate is expected to continue close to the 233 pounds per unit fed in 1968/69.

Soybean Meal Usage to Increase

More protein-consuming livestock and poultry and favorable feed price ratios point to increased feeding of soybean meal in 1969/70--probably up about 7% from 1968/69 to a little over 12 million tons. Increased usage would come from both more livestock and poultry and heavier soybean meal feeding rates. Part of the increase will be to make up for the prospective smaller supplies of cottonseed and fish meals. The large soybean meal supply is expected to keep prices more attractive to cattle and poultry producers than prices of most other protein feeds.

Soybean Meal Prices Decline Seasonally

Soybean meal prices declined seasonally this fall with the increased crushing of the 1969 crop. Prices which reached a seasonal high of a little over $77 per ton at Decatur last summer had declined to an average of $69 per ton in the first half of November. The record supply of soybeans available for crushing this year and the lower soybean loan rate will encourage continued heavy production during the next few months. Soybean meal prices are expected to average somewhat lower than a year earlier during the 1969/70 marketing year.

Record crushing this fall has been encouraged by lower soybean prices--down about 5%--higher oil prices, and the much higher margin earned by processors than in other recent years. With ample soybean supplies and favorable crushing returns, processors are expected to continue to produce at a high rate. This is expected to hold meal prices a little below last year's level this fall and winter. As was the case in 1968/69, soybean meal prices probably will increase seasonally later in the marketing year, assuming

Table 20.--High-protein feed: Quantity available for feeding and high-protein feed-consuming animal units, average 1963-67, annual 1961-69

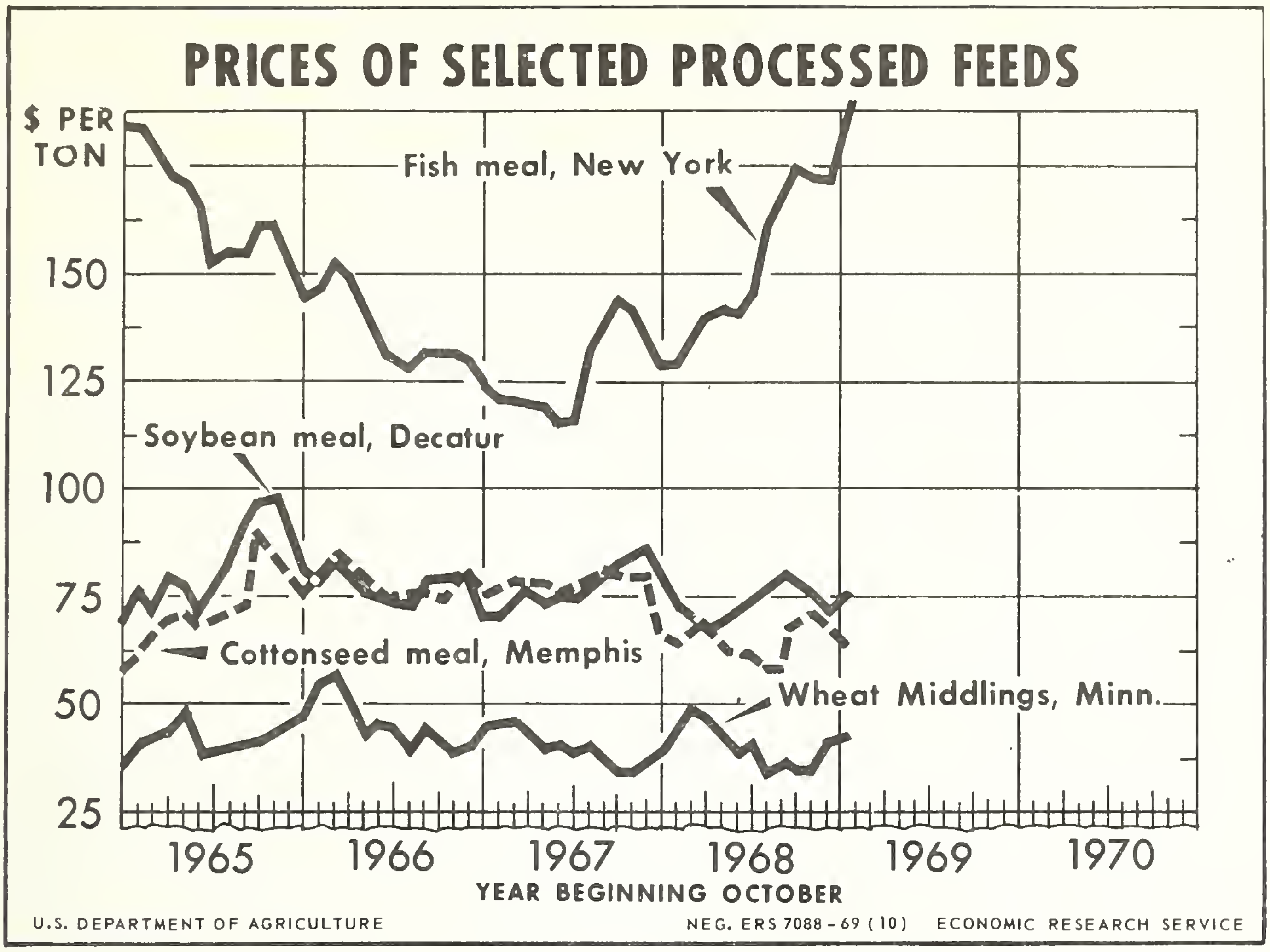
Year beginning October	Quantity available for feeding (In terms of 44% protein soybean meal equivalent) Oilseed meal	Animal protein	Grain protein	Total	Per animal unit	High-protein consuming animal units
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Pounds	Million
Av. 1963-67	12,190	3,825	1,218	17,233	226	152.7
1961	11,687	3,421	1,052	16,160	224	144.1
1962	11,976	3,543	1,069	16,588	225	147.6
1963	11,656	3,753	1,136	16,545	223	148.5
1964	11,804	3,557	1,181	16,542	223	148.3
1965	12,689	3,577	1,238	17,504	231	151.5
1966	12,561	3,950	1,250	17,761	224	158.3
1967	12,240	4,290	1,283	17,813	227	156.8
1968 1/	13,475	3,838	1,296	18,609	233	160.0
1969 2/	14,150	3,600	1,300	19,050	232	164.0

1/ Preliminary. 2/ Based on November 1969 indications.

Table 21.--Oilseed meal: Supply and utilization, United States, 1967/68, 1968/69, and 1969/70

Year beginning October	Supply: Stocks October 1 1/	Supply: Production	Supply: Imports	Supply: Total	Utilization: Domestic use (feed) 2/	Utilization: Exports	Utilization: Total
	1,000 tons						
1967							
Soybean	138	13,660	---	13,798	*10,754	2,899	13,653
Cottonseed	105	1,424	44	1,573	1,462	3	1,465
Linseed	23	277	3/	300	182	104	286
Peanut	4	132	---	136	133	---	133
Copra	4/	119	---	119	117	---	117
Total	270	15,612	44	15,926	12,648	3,006	15,654
1968 5/							
Soybean	145	14,597	---	14,742	*11,492	3,085	14,577
Cottonseed	108	2,029	29	2,166	2,067	15	2,082
Linseed	14	267	2	283	197	78	275
Peanut	3	134	---	137	135	---	135
Copra	2	110	---	112	111	---	111
Total	272	17,137	31	17,440	14,002	3,178	17,180
1969 6/							
Soybean	165	15,675	---	15,840	12,300		
Cottonseed	84	1,900	50	2,034	1,900		
Linseed	8	275	---	283	200		
Peanut	2	135	---	137	135		
Copra	1	110	---	111	110		
Total	260	18,095	50	18,405	14,645		

1/ Stocks at processors' plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Less than 500 tons. 4/ Not reported. 5/ Preliminary. 6/ Based on indications in November 1969, except for stocks which are preliminary. *Includes minor quantities shipped to territories.



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soybean prices rise seasonally to cover storage costs.

Generally strong demand generated by favorable returns from poultry and livestock production and the increase in high-protein feed consuming livestock will give strength to prices. Also more soybean meal will be required to offset short fish meal supplies. It does appear probable, however, that soybean meal prices will continue relatively low this year, encouraging increased feeding.

Cottonseed Supplies Lower; Prices Stronger

Cottonseed meal available for feeding probably will fall off some from the 2.1 million tons fed in 1968/69, reflecting a drop of 8% in the 1969 cotton crop. If processors crush 95% of the cottonseed crop, it would yield about 1.9 million tons of meal in 1969/70. The amount of meal fed usually is about the same as production; imports, exports, and end-of-season stocks are about offsetting.

The smaller cottonseed meal supplies in 1969/70 probably will be accompanied by higher prices than the $65 average in 1968/69--despite the reduced loan rate on cottonseed. In the first half of November, prices at Memphis averaged about $68, slightly above last year. Prices in 1969/70 probably will exhibit their normal seasonal pattern in which they advance from fall to winter, then decline in spring to early summer, and subsequently rise in mid or late summer. The rise in the winter is attributed to heavy demand for concentrate feeding, the drop in spring to availability of pastures, and the rise in the summer to unusually short supplies at the end of the crushing season.

Table 22.--Prices of selected processed feeds at principal markets, 1967-69 1/

[Dollars per ton]

Year beginning October	MEALS								
	Soybean, 44%, Decatur			Cottonseed, 41%, Memphis			Meat meal, 50%, Chicago		
	1967	1968	1969	1967	1968	1969	1967	1968	1969
October	71.80	78.20	75.40	76.10	66.20	63.40	87.00	97.00	93.10
November	71.90	73.50		76.60	65.60		82.80	94.40	
December	73.40	71.60		78.10	67.80		81.60	91.00	
January	75.10	69.80		77.90	68.40		88.70	92.80	
February	74.50	69.90		77.60	64.60		84.40	88.80	
March	75.00	72.60		76.20	62.50		85.30	80.90	
April	74.60	73.30		77.00	61.70		86.70	84.80	
May	75.00	76.10		77.60	59.10		90.60	87.50	
June	79.50	77.50		78.20	59.60		95.60	92.40	
July	82.80	77.30		78.20	68.00		96.50	101.00	
August	84.40	76.90		78.00	71.00		92.80	95.30	
September	85.10	72.70		79.10	67.80		94.10	93.00	
Average	76.90	74.10		77.60	65.20		88.80	91.60	
	Fish meal, 60%, New York			Gluten feed, 21%, Chicago			Wheat middlings, Minneapolis		
	1967	1968	1969	1967	1968	1969	1967	1968	1969
October	124.30	129.20	193.40	46.80	42.80	47.00	44.20	38.10	42.10
November	121.40	129.60		49.20	46.00		45.60	44.40	
December	121.00	135.20		51.00	49.20		45.90	49.10	
January	120.20	140.20		53.20	50.00		44.30	47.80	
February	119.00	141.00		48.50	48.50		40.90	42.50	
March	115.70	140.50		45.70	43.50		41.40	38.70	
April	115.00	145.00		43.20	42.00		38.10	41.90	
May	131.40	161.00		42.50	40.00		39.70	32.40	
June	139.20	168.00		41.70	40.00		37.90	35.30	
July	142.80	173.90		38.60	40.00		33.40	34.30	
August	141.00	172.10		38.00	40.00		32.60	34.10	
September	132.80	171.80		40.00	42.40		34.20	40.40	
Average	127.00	150.60		44.90	43.70		39.80	39.90	

1/ Bulk, except fish meal which are bagged basis.

Table 23.--Processed feeds: Estimated use for feed, average 1963-67, annual 1964-69 1/

Feed	Year beginning October						
	Av. '63-67	1964	1965	1966	1967	1968 2/	1969 3/
	1,000 tons						
HIGH-PROTEIN							
Oilseed meal							
Soybean meal	10,044	9,236	10,274	10,820	10,754	11,492	12,300
Cottonseed meal	2,231	2,680	2,563	1,755	1,462	2,067	1,900
Linseed meal	269	306	284	248	182	197	200
Peanut meal	108	99	108	115	133	135	135
Copra meal	102	101	109	90	117	111	110
Total	12,754	12,422	13,338	13,028	12,648	14,002	14,645
Animal proteins							
Tankage and meat meal	1,992	1,932	1,961	2,068	2,059	2,018	2,050
Fish meal and solubles	780	625	627	827	1,083	817	600
Commercial dried milk products	246	236	275	255	250	235	250
Noncommercial milk products	473	515	454	425	400	385	390
Total	3,491	3,308	3,317	3,575	3,792	3,455	3,290
Grain protein feeds							
Gluten feed and meal	1,451	1,406	1,481	1,486	1,514	1,550	1,575
Brewers' dried grains	307	295	304	324	336	333	340
Distillers' dried grains	418	409	426	425	447	437	450
Total	2,176	2,110	2,211	2,235	2,297	2,320	2,365
OTHER							
Wheat millfeeds	4,673	4,715	4,612	4,499	4,490	4,469	4,450
Rice millfeeds	418	395	395	451	476	494	475
Dried and molasses beet pulp	1,175	1,289	1,153	1,129	1,130	1,470	1,600
Alfalfa meal	1,532	1,536	1,652	1,599	1,550	1,670	1,700
Fats and oils	438	363	427	486	496	530	550
Molasses, inedible	2,962	2,900	2,860	3,060	3,100	3,350	3,350
Miscellaneous byproduct feeds 4/	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Total	12,298	12,298	12,199	12,324	12,342	13,083	13,225
Grand total	30,719	30,138	31,065	31,162	31,079	32,860	33,525

1/ Adjusted for stocks, production, foreign trade and nonfeed uses where applicable.
2/ Preliminary.
3/ Based on November indications.
4/ Allowance for hominy feed, oat millfeeds and screenings.

Decrease Seen in Animal Proteins

Supplies of animal protein feeds (combined) in 1969/70 probably will dip a little below the 1968/69 total of 3.5 million tons. Fish meal supplies probably will fall off sharply while meat meal-tankage and milk products may show small increases.

Fish meal supplies fell nearly 25% in 1968/69 as imports of 540,000 tons were 281,000 below the year before. Domestic production at 277,000 tons, mostly Menhaden, was up 15,000 and gained for the second consecutive year.

Supplies in 1969/70 probably will make another sizable drop, perhaps by as much as a fourth or more. The Peruvian fish catch since September has been extremely small and their stocks of old meal were about exhausted at the end of the previous season. Production in Chile and Norway is also down. Consequently, world fish meal supplies are very tight as evidenced by current prices--which in November were at the highest level in 20 years.

Short supplies and relatively high prices of fish meal likely will be around for at least most of 1969/70. Short fish meal supplies for use in poultry rations will be offset in part by the use of more soybean meal and perhaps certain synthetic amino acids to take the place of those furnished by fish meal. The picture of tight world fish meal supplies could abruptly change should the Peruvian fishing improve; the fishing season started in September and is still young.

Grain Proteins to Continue Their Upward Trend

Production of the grain proteins (gluten feed and meal, brewers' and distillers' dried grains) is expected to continue the upward trend of recent years. Expanding consumer and industrial demand for corn starch, sugar, syrup, oil and alcoholic beverages has resulted in the output of these products increasing almost steadily. Combined production of these byproducts now stands at 2.4 million tons, 9% above the 1963-67 average.

Outlook for Other Processed Feeds

Wheat millfeed supplies for feeding in 1968/69 totaled 4.5 million tons, virtually the same as a year ago. However, for the past few years wheat millfeed production has tended to decline since less wheat is being milled for export. Millfeed production in 1969/70 is expected to be close to the 1968/69 level.

At Minneapolis, prices of bran and middlings in mid-November were $43-$44 a ton, about the same as last year. Compared with prices of most other processed feeds, wheat millfeed prices usually show comparatively large swings during the year. Ordinarily, they rise from their low in the summer to a peak in the spring.

Demand for alfalfa meal this summer and fall has shown signs of reawakening after previously being rather sluggish. Both consumption and prices were up from year-earlier levels. In May-September, domestic use of 740,000 tons was about 100,000 more than in that period of 1968. And in early November, the price of 17% protein dehydrated at Kansas City was listed at $45 a ton, 10% higher than a year ago. Prices may average a little higher this winter as October 1 stocks, which supply most of the meal for the fall and winter, were 8% under last year and continued good demand is in prospect.

Domestic production of feed molasses in 1969/70 likely will be little changed from the nearly 380 million gallons processed from the 1968 sugar cane and beet crops. A prospective 10% increase in the 1969 beet crop probably will be offset by a similar drop in cane production. This would be a relatively large supply from domestic sources, but with more cattle being placed on feed, molasses needs have expanded. Molasses fed to livestock in 1968/69 is estimated at approximately 570 million gallons, about 7% above 1967/68 and the highest ever. Imports of 347 million gallons fell only about 10 million from 1967/68.

Total supplies may continue to expand a little in 1969/70 as imports may pick up from the 1968/69 level.

Molasses (feed) production from domestic sources

(Year beg. Oct.)

	1967/68	1968/69	1969/70 1/
	Million gallons		
Beet	104	135	150
Cane			
Hawaii	61	63	60
La.	55	51	45
Fla.	43	37	35
Refiners' blackstrap	52	57	50
Citrus	9	14	17
Corn, hydrol	19	21	23
Total	343	378	380

1/ Based on November 1969 indications.

At Chicago, 1968/69 molasses prices averaged about 13% below the year before. The lower prices mostly were attributed to the much larger supplies in 1968/69, even though demand by feeders was quite strong. Prices in 1969/70 likely will be fairly firm--perhaps averaging a little higher than the 17.6¢ a gallon (Chicago basis) of 1968/69. In mid-November, prices averaged 21¢ compared with 18¢ a year ago.

Chicago molasses prices

(Cents a gallon)

	1967/68	1968/69	1969/70
Oct.	21.7	18.1	20.5
Nov.	21.2	17.2	
Dec.	21.2	16.7	
Jan.	21.2	16.4	
Feb.	20.8	16.4	
Mar.	20.5	17.1	
Apr.	19.9	17.4	
May	19.8	17.8	
June	19.6	18.0	
July	19.2	18.0	
Aug.	19.0	18.4	
Sept.	18.5	19.6	
Av.	20.2	17.6	

HAY

Prices Firm Despite Large Supplies

Buyers probably will average paying slightly more for their hay this season than in 1968/69. Supplies are comparatively large, but a generally strong demand for feedstuffs likely will boost demand for hay. Prices received by hay producers since May have averaged $23 a ton, about $1.00 higher than last year. The seasonal price rise underway since August is expected to continue into next spring. Its extent will depend on the severity of the winter.

Larger Supplies for 1969/70

The 1969/70 hay supply--estimated at 151 million tons--is nearly 1 million tons more than last year and the largest ever. Weather during the latter part of the summer favored curing and harvesting of hay, bringing above-average yields and better quality. Earlier in the season, frequent rains in some areas hampered hay curing operations. Yields currently are forecast at 2 tons an acre, 10% above the 1963-67 average. The crop of 127 million tons is 2 million more than in 1968. Stocks last May 1 were down a million tons.

Roughage-consuming livestock for 1969/70 are forecast at 102.7 million units, practically the same as in 1968/69. Thus, hay supply per unit would be almost 1½ tons, 7% above the 1963-67 average. Hay disappearance per unit in 1968/69 was 1.23 tons. With disappearance a little under this rate in 1969/70, the crop would be a little above needs, resulting in some increase in the carryover next May 1. However, changes in the volume of hay fed are largely determined by severity of winters. Last year's high rate of feeding was due largely to the colder than usual winter.

Table 24.--Hay supply and disappearance per animal unit, United States, average 1963-67, annual 1963-69

Year beginning May	Carryover May 1	Production	Total supply	Disappearance	Roughage consuming animal units	Supply per animal unit	Disappearance per animal unit
	1,000 tons				Thousands	Tons	
Average 1963-67	20,824	121,836	142,660	121,427	103,265	1.38	1.18
1963	23,114	117,537	140,651	120,842	103,286	1.36	1.17
1964	19,809	118,778	138,587	122,020	103,910	1.33	1.17
1965	16,567	125,536	142,103	119,406	103,471	1.37	1.15
1966	22,697	121,027	143,724	121,792	102,816	1.40	1.18
1967	21,932	126,300	148,232	123,074	102,842	1.44	1.20
1968 1/	25,158	125,438	150,596	126,705	102,600	1.47	1.23
1969 2/	23,891	127,480	151,371		102,700	1.47	

1/ Preliminary. 2/ Based on November 1 indications.

Table 25.--Hay: Production by regions, average 1963-67, annual 1963-69

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
				1,000 tons			
Average 1963-67	11,719	22,428	40,831	4,928	14,212	27,718	121,836
1963	11,986	22,060	39,700	4,391	12,337	27,063	117,537
1964	11,063	22,613	39,104	5,021	13,724	27,253	118,778
1965	11,000	22,437	43,471	5,170	15,050	28,408	125,536
1966	11,973	22,791	40,531	4,699	14,343	26,690	121,027
1967	12,569	22,237	41,347	5,361	15,606	29,180	126,300
1968 1/	12,032	23,325	40,565	5,560	16,158	27,798	125,438
1969 2/	12,011	22,159	43,467	5,597	14,783	29,463	127,480

1/ Preliminary. 2/ November 1 indications.

Table 26.--Hay: Average prices received by farmers, by regions, October 1969 with comparisons

Region	Hay per ton				
	October			1969 as a percentage of-	
	Average 1963-67	1968	1969	Average 1963-67	1968
	Dol. per ton			Pct.	
New England	32.80	27.20	29.00	88	107
Middle Atlantic	29.20	25.50	26.70	91	105
East North Central	22.50	20.10	21.00	93	104
West North Central	19.00	18.70	20.00	105	107
South Atlantic	33.30	30.70	31.90	96	104
East South Central	25.40	26.60	27.80	109	105
West South Central	23.40	22.60	24.90	106	110
Mountain	23.10	21.70	23.90	103	110
Pacific	25.80	24.40	26.40	102	108
United States (av.)	23.10	21.80	23.20	100	106

Table 27.--Feed grains: Domestic disappearance and exports, by quarters, United States, 1963-68

Year beginning October	October-December		January-March		April-June		July-September		Total October-September	
	Domestic disappearance	Exports 1/	Domestic disappearance	Exports 1/	Domestic disappearance	Exports 1/	Domestic disappearance	Exports 1/	Domestic disappearance	Exports 1/
	Million bushels									
	CORN									
Average 1963-67	1,030	164	928	139	844	135	756	138	3,558	576
1963	889	151	946	120	792	110	721	119	3,348	500
1964	994	152	951	119	761	151	599	148	3,305	570
1965	994	197	1,007	171	903	177	801	142	3,705	687
1966	1,141	140	837	126	865	107	805	114	3,648	487
1967 2/	1,143	183	895	158	899	129	852	163	3,789	633
1968 2/	1,176	158	1,121	71	825	134	758	173	3,880	536
	GRAIN SORGHUM									
Average 1963-67	196	48	178	48	114	40	42	51	530	187
1963	184	33	156	27	106	19	38	28	484	107
1964	161	26	156	27	74	37	34	58	425	148
1965	211	50	181	73	129	62	61	81	582	266
1966	210	75	230	65	132	59	42	49	614	248
1967 2/	212	55	168	48	128	21	37	42	545	166
1968 2/	254	28	186	16	137	20	56	42	633	106
	OATS									
Average 1963-67	153	5	233	2	181	4	281	5	848	16
1963	168	1	281	3/	173	1	314	2	936	4
1964	156	2	233	3/	184	1	276	10	849	13
1965	144	13	226	2	207	13	275	9	852	37
1966	166	7	220	1	170	3	272	5	828	16
1967 2/	129	1	207	2	171	2	271	3	778	8
1968 2/	151	2	229	1	174	2	297	1	851	6
	BARLEY									
Average 1963-67	79	16	86	10	75	17	102	12	342	55
1963	83	19	83	15	75	26	114	11	355	71
1964	79	22	96	6	81	21	89	17	345	66
1965	68	22	93	15	67	23	95	15	323	75
1966	88	10	81	7	75	13	102	13	346	43
1967 2/	75	7	76	9	81	2	111	3	343	21
1968 2/	81	4	86	1	77	5	120	1	364	11
	TOTAL (Million tons) 4 GRAINS									
Average 1963-67	38.7	6.4	36.8	5.5	31.5	5.4	29.3	5.6	136.3	22.9
1963	34.7	5.7	37.3	4.5	29.7	4.3	29.0	4.3	130.7	18.8
1964	36.7	5.6	37.0	4.2	28.3	5.8	24.3	6.3	126.3	21.9
1965	37.7	7.7	39.1	7.2	33.8	7.5	30.8	6.7	141.4	29.1
1966	42.6	6.4	35.3	5.5	32.4	5.0	30.5	5.0	140.8	21.9
1967 2/	41.8	6.8	34.9	6.0	33.4	4.3	31.9	5.9	142.0	23.0
1968 2/	44.4	5.3	42.3	2.5	31.6	4.4	30.4	6.1	148.7	18.3

1/ Includes grain equivalent of products. 2/ Preliminary. 3/ Less than 500,000 bushels.

Table 28.--Feed grains: Price support operations, United States, 1960-68

Crop year	National average loan rates	Season average price received by farmers	Difference	Quantity placed under price support: Loans	Quantity placed under price support: Purchase agreements	Quantity placed under price support: Total	Total deliveries to CCC 1/	Under loan and owned by CCC at close of marketing year
	- - Dollars per bushel - -			- - - - - - - Million bushels - - - - - - -				
				CORN				
1960	1.06	1.00	-.06	563	75	638	475	1,890
1961	1.20	1.10	-.10	582	77	659	635	1,535
1962	1.20	1.12	-.08	536	55	591	460	1,275
1963	2/1.07	1.11	.04	386	9	395	16	1,300
1964	2/1.10	1.17	.07	216	3/4/	216	5/45	924
1965	2/1.05	1.16	.11	215	3/4/	215	5/35	437
1966	2/1.00	1.24	.24	263	3/4/	263	6/	374
1967	2/1.05	1.03	-.02	467	3/30	497	6/	714
1968 7/	2/1.05	1.06	.01	403	3/4/	403	6/	736
1969	2/1.05							
				OATS				
1960	.50	.60	.10	19	1	20	1	34
1961	.62	.64	.02	20	1	21	8	28
1962	.62	.62	.00	30	2	32	19	41
1963	.65	.62	-.03	35	4	39	32	67
1964	.65	.63	-.02	41	3/2	43	25	89
1965	.60	.62	.02	44	3/4/	44	5/15	102
1966	.60	.66	.06	23	3/4/	23	5/7	82
1967	.63	.66	.03	37	3/4/	37	5/15	92
1968 7/	.63	.60	-.03	89	3/4/	89	6/	165
1969	.63							
				BARLEY				
1960	.77	.84	.07	43	7	50	17	86
1961	.93	.98	.05	43	1	44	14	45
1962	.93	.92	-.01	33	7	40	26	60
1963	2/.82	.90	.08	24	4	28	4	49
1964	2/.84	.95	.11	15	3/4/	15	4/	32
1965	2/.80	1.02	.22	17	3/4/	17	5/1	19
1966	2/.80	1.05	.25	16	3/4/	16	5/2	17
1967	.90	1.00	.10	47	3/4/	47	6/	43
1968 7/	.90	.90	0	116	3/4/	116	6/	125
1969	.83							
				SORGHUM GRAIN				
	- - Dollars per cwt. - -			- - - - - - - Million bushels - - - - - - -				
1960	1.52	1.49	-.03	195	8	203	175	686
1961	1.93	1.80	-.13	189	7	196	194	644
1962	1.93	1.82	-.11	213	6	219	217	645
1963	2/1.71	1.74	.03	138	3	141	128	640
1964	2/1.77	1.87	.10	83	3/4/	83	5/72	556
1965	2/1.65	1.76	.11	106	3/4/	106	5/84	365
1966	2/1.52	1.82	.30	28	3/4/	28	5/2	219
1967	2/1.61	1.77	.16	65	3/4/	65	6/	250
1968 7/	2/1.62	1.69	.07	74	3/4/	74	6/	260
1969	2/1.61							

1/ Includes deliveries from the original program, reseal and over deliveries as determined by final weight of the grain. 2/ Annual price support payments were made in addition to loan rates. 3/ Deliveries to CCC under the purchase program. 4/ Less than 500,000 bushels. 5/ Estimated. 6/ Too early to estimate; insufficient data on deliveries from the reseal program. 7/ Preliminary except for loan rates.

Table 29.--Feed grains: Production by regions, average 1963-67, annual 1965-69

Year	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	United States
				1,000 bushels			
				CORN FOR GRAIN			
Average 1963-67	72,786	1,710,527	1,818,671	253,035	202,986	35,048	4,093,053
1965	72,402	1,799,325	1,698,169	279,322	202,316	32,808	4,084,342
1966	50,078	1,721,245	1,934,655	198,486	171,761	41,130	4,117,355
1967	108,636	2,022,959	1,983,467	338,204	222,257	46,641	4,722,164
1968 1/	77,171	1,819,494	2,012,360	246,110	174,021	45,684	4,374,840
1969 2/	99,858	1,861,715	1,994,168	257,705	179,047	51,706	4,444,199
				SORGHUM GRAIN			
Average 1963-67	---	970	274,739	2,864	305,345	59,845	643,763
1965	---	1,032	289,086	2,799	318,718	61,063	672,698
1966	---	862	307,893	2,311	336,044	67,882	714,992
1967	---	1,155	306,438	3,352	374,010	80,662	765,617
1968 1/	---	1,146	292,395	2,779	372,819	69,368	738,507
1969 2/	---	1,317	320,514	3,460	357,002	75,029	757,322
				OATS			
Average 1963-67	51,938	251,343	476,504	19,872	33,650	33,721	867,028
1965	53,013	248,184	528,179	19,703	37,397	40,375	926,851
1966	43,310	231,524	438,437	19,833	37,789	30,434	801,327
1967	44,722	215,133	454,424	18,850	22,795	25,943	781,867
1968 1/	53,967	255,769	534,375	19,329	36,178	29,906	929,524
1969 2/	46,694	223,922	561,280	19,833	43,754	42,670	938,153
				BARLEY			
Average 1963-67	9,350	5,027	134,434	13,882	13,732	211,026	387,451
1965	8,847	4,320	137,739	13,698	13,388	214,287	392,279
1966	10,911	4,418	127,232	14,979	15,499	220,147	393,186
1967	11,496	4,586	137,473	16,109	7,296	193,286	370,246
1968 1/	11,699	6,731	174,263	14,990	15,130	195,355	418,168
1969 2/	11,512	5,525	141,828	15,538	22,125	219,370	415,898
				TOTAL FEED GRAINS 1,000 tons			
Average 1963-67	3,094	52,064	69,466	7,816	15,101	8,261	155,802
1965	3,088	54,485	67,400	8,543	15,509	8,416	157,441
1966	2,357	52,029	72,860	6,299	15,195	8,823	157,563
1967	4,033	60,228	74,687	10,252	17,235	8,619	175,054
1968 1/	3,305	55,232	77,265	7,638	16,253	8,389	168,082
1969 2/	3,819	55,880	77,196	8,003	16,241	9,496	170,635

1/ Preliminary.
2/ November 1 indications.

Table 30.--Feed grains: Acreage, yield and production, United States, average 1963-67, annual 1965-69

Feed grain	Unit	Average 1963-67	1965	1966	1967	1968 1/	1969 2/
Corn							
Planted 3/	1,000 acres	67,422	65,119	66,306	71,093	64,787	63,731
Harvested 4/	1,000 acres	57,484	55,332	56,933	60,557	55,707	54,758
Yield 5/	Bu.	71.2	73.8	72.3	78.6	78.5	81.2
Production	1,000 bu.	4,093,053	4,084,342	4,117,355	4,760,076	4,374,840	4,444,199
Sorghum grain							
Planted 3/	1,000 acres	17,349	17,079	16,372	19,007	17,924	17,292
Harvested 4/	1,000 acres	13,182	13,029	12,813	14,999	13,971	13,699
Yield 5/	Bu.	48.8	51.6	55.8	50.4	52.9	55.3
Production	1,000 bu.	643,763	672,698	714,992	755,936	738,507	757,322
Oats							
Planted	1,000 acres	24,329	24,010	23,301	20,646	23,003	23,530
Harvested 4/	1,000 acres	18,685	18,479	17,861	16,017	17,361	18,343
Yield 5/	Bu.	46.4	50.2	44.9	49.3	53.5	51.1
Production	1,000 bu.	867,028	926,851	801,327	789,196	929,524	938,153
Barley							
Planted	1,000 acres	11,268	10,099	11,134	10,002	10,322	10,246
Harvested 4/	1,000 acres	10,008	9,144	10,205	9,177	9,563	9,373
Yield 5/	Bu.	38.7	42.9	38.5	40.6	43.7	44.4
Production	1,000 bu.	387,451	392,279	393,186	372,898	418,168	415,898
Four feed grains							
Planted	Mil. acres	120.4	116.3	117.1	120.7	116.0	114.8
Harvested 4/	Mil. acres	99.4	96.0	97.8	100.8	96.6	96.2
Yield 5/	Tons	1.57	1.64	1.61	1.75	1.74	1.77
Production	Mil. tons	155.8	157.4	157.6	176.0	168.1	170.6

1/ Preliminary. 2/ Acreage based on July 1 indications; yield and production, November 1 indications. 3/ All purposes. 4/ Harvested for grain. 5/ Per harvested acre.

Table 31.--Hay: Acreage, yield and production, by kinds, United States, average 1963-67, annual 1965-69

Item	Unit	Average 1963-67	1965	1966	1967	1968 1/	1969 2/
All hay							
Acreage harvested	1,000 acres	66,259	67,684	65,140	64,667	62,570	63,026
Yield per acre	Tons	1.84	1.85	1.86	1.95	2.00	2.02
Production	1,000 tons	121,836	125,536	121,027	126,300	125,438	127,480
Alfalfa							
Acreage harvested	1,000 acres	28,954	29,733	29,002	28,162	27,156	27,136
Yield per acre	Tons	2.51	2.52	2.51	2.63	2.70	2.76
Production	1,000 tons	72,621	74,849	72,712	74,204	73,371	74,818
Clover and timothy							
Acreage harvested	1,000 acres	13,382	13,046	13,139	13,234	13,387	13,468
Yield per acre	Tons	1.57	1.54	1.60	1.71	1.77	1.77
Production	1,000 tons	21,007	20,076	21,068	22,684	23,749	23,888
All other hay 3/							
Acreage harvested	1,000 acres	23,922	24,905	22,999	23,271	22,027	22,422
Production	1,000 tons	28,208	30,611	27,247	29,412	28,318	28,774

1/ Preliminary. 2/ Acreage based on July 1 indications; yield and production, November 1 indications. 3/ Includes hay cut from lespedeza, soybeans, peanuts, cowpeas, grains, other miscellaneous tame hay and wild hay.

Table 32.--Feed grain stocks: Quarterly distribution, 1967-69

Year	Farm	Commodity Credit Corporation 1/	Terminal market, mill, elevator and warehouse	Total	Farm	Commodity Credit Corporation 1/	Terminal market, mill, elevator and warehouse	Total
	1,000 bushels							
	CORN							
	January 1				April 1			
1967	2,898,768	108,491	670,128	3,677,387	2,043,897	98,279	572,811	2,714,987
1968	3,391,263	97,846	768,215	4,257,324	2,394,728	97,870	712,076	3,204,674
1969 2/	3,247,078	149,156	807,454	4,203,688	2,194,082	148,992	668,236	3,011,310
	July 1				October 1 3/			
1967	1,337,292	97,690	307,993	1,742,975	569,155	97,571	156,504	823,230
1968	1,646,440	97,785	432,793	2,177,018	781,762	103,312	277,181	1,162,255
1969 2/	1,471,777	145,982	435,195	2,052,954	736,629	143,319	241,792	1,121,740
	GRAIN SORGHUM							
	January 1				April 1			
1967	234,168	4,632	582,240	821,040	133,178	4,624	388,688	526,490
1968	213,026	4,572	514,769	732,367	142,130	4,586	370,321	517,037
1969 2/	221,720	4,600	518,764	745,084	130,099	4,598	408,768	543,465
	July 1				October 1 3/			
1967	81,980	4,606	248,947	335,533	44,414	4,598	194,888	243,900
1968	90,719	4,587	272,821	368,127	58,145	4,586	226,362	289,093
1969 2/	84,065	4,583	297,908	386,556	53,805	4,583	230,457	288,845
	OATS							
	January 1				April 1			
1967	556,765	7,232	97,878	661,875	354,567	6,864	81,031	442,462
1968	548,803	6,668	97,710	653,181	361,671	6,665	76,869	445,205
1969 2/	652,641	6,656	116,571	775,868	436,624	6,650	103,554	546,828
	July 1 3/				October 1			
1967	198,940	6,664	64,682	270,286	646,183	6,674	128,996	781,853
1968	206,173	6,668	59,843	272,684	773,136	6,658	147,997	927,791
1969 2/	271,519	6,664	93,285	371,468	818,123	7,884	185,476	1,011,483
	BARLEY							
	January 1				April 1			
1967	179,138	4,786	110,440	294,364	114,921	4,523	87,717	207,161
1968	184,640	3,902	114,637	303,179	129,092	3,946	85,320	218,358
1969 2/	238,820	3,916	119,982	362,718	177,696	3,917	95,117	276,730
	July 1 3/				October 1			
1967	56,974	4,240	60,558	121,772	232,580	4,030	144,870	381,480
1968	71,524	3,944	62,200	137,668	291,609	3,931	147,208	442,748
1969 2/	112,747	3,927	80,682	197,356	305,276	4,991	184,871	495,138

1/ CCC owned at binsites; excludes grain owned by CCC in other positions. 2/ Preliminary. 3/ Old crop grain only.

Table 33.--Feed grains: Commodity Credit Corporation sales for domestic use and export, by quarters, 1964-68 1/

Year beginning October	October-December		January-March		April-June		July-September		Total October-September	
	Domestic	Export	Domestic	Export	Domestic	Export	Domestic	Export	Domestic	Export
	1,000 bushels									
	CORN									
1964	13,048	1,014	134,792	7,477	174,857	36,564	18,216	4,536	340,913	49,591
1965	26,207	2,058	83,913	6,182	186,372	42,916	42,070	8,297	338,562	59,453
1966	81,413	12,494	6,076	11,175	36,246	5,789	752	1,852	124,487	31,310
1967	1,071	386	119	524	130	769	1,546	1,352	2,866	3,031
1968	7,089	2,569	7,832	684	6,245	1,143	8,722	914	29,888	5,310
	SORGHUM GRAIN									
1964	5,876	22,028	6,171	29,705	6,764	48,872	3,108	21,529	21,919	122,134
1965	3,080	43,029	1,785	78,797	2,619	75,764	12,529	22,634	20,013	220,224
1966	11,054	41,251	4,583	74,915	4,998	59,352	500	411	21,135	175,929
1967	257	144	545	227	731	426	262	45	1,795	842
1968	82	90	284	20	309	793	1,471	340	2,146	1,243
	OATS									
1964	1,040	671	2,014	0	7,066	1,189	1,189	287	11,309	2,147
1965	2,344	1,179	1,328	1,794	4,295	1,847	2,170	0	10,137	4,820
1966	4,463	1,317	2,775	1,517	1,995	3,078	556	2,193	9,789	8,105
1967	317	427	61	0	5	0	25	0	408	427
1968	65	0	42	0	229	0	532	0	868	0
	BARLEY									
1964	1,048	3,581	555	1,120	1,364	5,793	1,337	* -35	4,304	10,459
1965	671	831	1,452	4,766	637	0	1,016	1,147	3,776	6,744
1966	348	1,140	95	765	111	268	14	182	568	2,355
1967	35	0	31	0	4	0	6	0	76	0
1968	9	0	36	0	161	0	349	0	555	0

1/ Domestic sales include fire, theft and spoilage, in addition to domestic sales and donations. Export sales include international barter, P.L. 480 program, donations, ICA transfers, as well as cash sales and sales under the payment-in-kind program.
*Adjustment for prior activity.

Compiled from reports of the Fiscal Division, Agricultural Stabilization and Conservation Service.

Table 34.--Feed grain stocks owned by Commodity Credit Corporation, 1967-69
[1st of month]

Year	January	February	March	April	May	June	July	August	September	October	November	December
	1,000 bushels											
	CORN											
1967	118,521	118,613	126,827	153,370	152,542	145,424	143,244	141,427	139,209	138,758	138,495	138,403
1968	137,977	137,765	137,231	136,861	136,392	136,151	136,330	136,265	156,010	182,306	244,205	257,579
1969	260,519	258,684	257,774	257,431	259,206	263,768	270,158	266,793	288,895	295,100	300,309	
	GRAIN SORGHUM											
1967	290,205	264,676	245,324	230,552	216,096	213,484	195,268	194,643	193,680	193,131	192,938	192,782
1968	192,656	192,543	192,023	191,726	191,610	191,817	191,542	192,128	192,445	192,469	192,859	192,474
1969	192,447	192,413	192,420	192,223	192,962	193,334	192,939	197,522	198,810	198,678	196,001	
	OATS											
1967	46,723	44,906	43,540	42,112	40,721	42,638	47,796	48,041	47,277	45,822	45,486	45,238
1968	45,106	45,090	45,047	44,977	45,006	45,005	45,206	45,307	45,722	45,783	45,895	45,915
1969	45,916	45,907	45,910	45,922	46,043	47,136	61,088	67,884	74,554	75,867	76,650	
	BARLEY											
1967	7,245	6,917	6,319	6,254	6,207	6,201	5,937	5,938	5,755	5,753	5,751	5,735
1968	5,655	5,682	5,679	5,673	5,667	5,682	5,868	5,952	6,363	6,442	6,491	6,504
1969	6,506	6,503	6,486	6,600	7,064	8,322	26,736	34,785	45,752	47,780	48,532	

Compiled from operating reports of Agricultural Stabilization and Conservation Service, USDA.

Table 35.--Production, stocks, and foreign trade in processed feeds, foreign trade in feed grains, and corn and barley processing, specified months 1/

Commodity	Production					Stocks 2/				
	1968	1969				1968	1969			
	Sept.	June	July	Aug.	Sept.	Oct. 1	July 1	Aug. 1	Sept. 1	Oct. 1
	1,000 tons					1,000 tons				
Processed feeds										
Soybean meal	922.2	1,202.9	1,239.0	1,162.5	1,150.3	145.1	168.1	178.4	176.3	165.4
Cottonseed meal	54.5	106.8	69.6	57.0	74.7	107.6	179.4	154.7	99.2	84.1
Linseed meal	27.6	18.9	11.2	13.7	35.5	14.0	12.7	6.4	7.1	8.3
Peanut meal	5.7	11.3	9.1	5.1	4.9	2.9	5.0	4.4	2.8	2.4
Meat meal and tankage	172.3	162.4	168.6	161.9	170.7	---	---	---	---	---
Fish meal and solubles	35.0	39.6	44.3	38.1	38.7	---	---	---	---	---
Brewers' dried grains	28.2	21.9	28.3	33.3	31.9	4.7	4.5	3.1	5.0	5.1
Distillers' dried grains	33.9	34.9	40.3	24.3	31.3	2.6	3.2	3.1	3.4	3.3
Wheat millfeeds	378.9	364.6	344.6	377.0	386.5	---	---	---	---	---
Rice millfeeds	37.2	42.0	42.8	32.5	40.4	---	---	---	---	---
Alfalfa meal, dehydrated	201.4	348.9	353.9	352.8	215.2	889.7	438.9	608.6	804.3	814.6
sun-cured	26.9	28.7	30.2	30.7	21.5	10.5	4.7	9.1	8.1	9.0
Total	228.3	377.6	384.1	383.5	236.7	900.2	443.6	617.7	812.4	823.6
Inedible tallow	43.4	46.0	49.4	45.8	43.9	---	---	---	---	---

Commodity	Foreign trade									
	Exports					Imports				
	1968	1969				1968	1969			
	Sept.	June	July	Aug.	Sept.	Sept.	June	July	Aug.	Sept.
	1,000 tons					1,000 tons				
Soybean meal	156.7	358.9	268.7	243.1	185.2	---	---	---	---	---
Cottonseed meal	.2	6.3	1.4	.4	4.7	2.2	1.8	2.1	.5	.8
Linseed meal	11.9	16.9	3.8	2.4	14.9	.1	.2	.1	.1	.3
Other oilseed meals	9.1	1.5	1.3	9.3	2.4	.2	.1	.1	1.1	---
Fish meal	---	---	---	---	---	49.4	53.6	36.8	18.3	9.3
Molasses	2.9	11.2	3.6	.1	1.8	153.6	216.0	184.8	127.1	155.2
Corn byproducts	45.9	63.6	65.6	54.2	71.2	---	---	---	---	---
Wheat millfeeds	3.1	.2	.3	2.2	2.5	2.2	3.0	9.1	7.9	10.4
Alfalfa meal, dehydrated	26.5	18.0	22.5	18.9	19.5	---	---	---	---	---
sun-cured	14.2	10.3	19.2	18.4	30.1	---	---	---	---	---
Total	40.7	28.3	41.7	37.3	49.6	---	---	---	---	---
Mixed poultry feed	14.3	9.8	10.4	9.8	11.5	---	---	---	---	---
Mixed dairy feed	1.1	5.4	4.9	2.1	8.4	---	---	---	---	---
	1,000 bushels					1,000 bushels				
Feed grains (including products)										
Corn	54,645	44,757	52,127	55,672	65,265	2	55	120	59	134
Grain sorghum	16,393	6,183	17,936	16,302	8,413	3	1	13	20	---
Oats	1,866	255	398	539	531	123	175	147	92	127
Barley	402	1,290	257	148	441	495	790	1,184	493	613
Total (1,000 s. tons)	2,029	1,461	1,974	2,027	2,082	14	23	34	16	20

Commodity	Grain processing or use						
	1968		1969				
	July	August	April	May	June	July	August
	1,000 bushels						
Corn							
Distilled spirits & alcohol	2,480	1,835	3,186	2,727	2,086	2,136	1,423
Grain sorghum							
Distilled spirits & alcohol	151	184	232	237	513	221	307
Barley							
Malt liquors	10,122	9,444	9,400	9,225	8,016	10,295	9,798
Distilled spirits & alcohol	437	351	644	550	670	683	384

1/ Data compiled from reports of the Bureau of the Census, Consumer and Marketing Service, Fish and Wildlife Service of the Department of the Interior. 2/ At processors' plants.

Index of Tables

Feed Acreage, Supplies and Utilization

	Table	Page
Feed concentrate balance, total and per animal unit, 1963-69	9	19
Grain-consuming animal units, United States, 1963-69	10	20
Feed grains: Acreage, yield and production, 1963-69	30	42
Feed grains: Production by regions, 1963-69	29	41
Feed grains: Supply and utilization, 1963-69	2	5
Feed grains: Domestic disappearance and exports, by quarters, 1963-69	27	39
Processed feeds: Estimated use for feed, 1963-69	23	35
High-protein feeds: Quantity fed and animal units, 1960-69	20	32
Oilseed cake and meal: Supply and distribution, 1967-69	21	32
Production, stocks, foreign trade, byproduct feeds and feed grains, wet processing, specified months	35	45
Hay: Supply and disappearance, total and per animal unit, 1962-69	24	38
Hay: Acreage, yield and production, 1963-69	31	42
Hay: Production by regions, 1962-69	25	38

Foreign Trade and Feed Grain Supplies in Other Countries

Feed grains and processed feeds, U.S. exports, 1962-68	15	26
Feed grains: U.S. exports, by countries, 1967/68 and 1968/69	12	24
Feed grains: U.S. exports, by programs, 1967/68 and 1968/69	13	25
Feed grains: World exports, major sources, 1962-68	14	25
Canadian oats and barley: Acreage, yield, supply and disappearance, 1963-69	18	30
Argentine and Republic of South African corn: Acreage, yield, supply and disappearance, 1963-69	19	30
Poultry meat production, United States and Western Europe, 1950-68	16	28
Western European corn imports, 1950-68	17	29

Government Programs and Price Support Operations

Feed grains: Price support operations, 1960-68	28	40
Feed grains: Sales by Commodity Credit Corporation, 1964-68	33	44
Corn and grain sorghums: Price support activity and farm prices, 1967-69	5-6	10, 13
Oats and barley: Price support activity and farm prices, 1967-69	7-8	15, 17

Prices, Price Ratios and Price Indexes

Statistical summary: Prices, indexes and price ratios	1	2
Livestock/feed price ratios as related to feeding rates, 1955-68	11	20
Prices of selected processed feeds, monthly, 1967-69	22	34
Hay: Prices by regions, October 1969 with comparisons	26	38

Stocks and Market Receipts

Feed grain carryover stocks: Government and "free", 1968 and 1969	3	8
Oats and barley stocks: Government and "free", October 1965-69	4	8
Feed grain stocks owned by CCC, 1967-69	34	44
Feed grain stocks: Quarterly distribution, 1967-69	32	43

Index of Statistics and Articles
The Feed Situation, 1969

	Issue
Barley: Supply and distribution	Feb., May, Aug., Nov.
Corn:	
Acreage and production	Feb., Apr., Aug., Nov.
Supply and distribution	Feb., May, Aug., Nov.
Feed concentrate balance and livestock units	Feb., May, Aug., Nov.
Feed concentrates consumed by dairy cows	May
Feed grains:	
Acreage and production, by regions	Apr., Aug., Nov.
Acreage, yield and production	Feb., Apr., Aug., Nov.
Disappearance and exports, quarterly	May, Aug., Nov.
Exports and imports	Each issue
Prices received by farmers and at principal markets	Each issue
Price ratios and indexes	Each issue
Receipts at primary markets	Feb., Apr., May, Aug.
Sales by farmers	May
Supply and distribution	Each issue
Stocks: In various positions	Feb., May Aug., Nov.
Foreign trade and supplies in other countries:	
Argentina and Republic of South Africa	Apr., Nov.
Canada	Aug., Nov.
Exports under Government Programs	Nov.
Japan	May, Aug., Nov.
Western Europe	Apr., May, Nov.
World	Nov.
Government Feed Grain Programs:	
Disposition of grain placed under price support	Apr., May
Price support activity	Each issue
Provisions of Program	Feb., Nov.
Results of the Programs	Feb.
Sales by Commodity Credit Corporation	Nov.
Grain sorghum: Supply and distribution	Feb., May, Aug., Nov.
Hay:	
Acreage, yield and production by kinds	Feb., Aug., Nov.
Prices by regions	Aug., Nov.
Supply and disappearance	Feb., Aug., Nov.
Livestock/feed price relationships	Nov.
Livestock numbers and feed requirements	Each issue
Oats: Supply and distribution	Feb., May, Aug., Nov.
Processed feeds:	
Estimated supply for feed	May, Aug., Nov.
Exports and imports	Each issue
High-protein feeds: Total and per animal unit	Feb., May, Nov.
Molasses: Supplies, utilization, and prices	Feb.
Oilseed cake and meal: Supply and distribution	Feb., May, Aug., Nov.
Production and stocks	Each issue
Prices at principal markets	Each issue
Wheat: Feeding and price comparisions	Feb., Aug., Nov.
Urea:	
Distribution of production and sales	May

Special Articles

Trends in Feed Grain Production and Utilization	Feb.
Corn Price Loan Relationship--Major Factor Influencing Price Support Activity	Apr.
Corn "Free" Supplies and Their Influence on Prices	May

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FdS-231 The Feed Situation

ANNUAL OUTLOOK CONFERENCE SCHEDULED FOR FEBRUARY 1970

The National Agricultural Outlook Conference is scheduled for February 16 to 18, 1970. The Conference will give emphasis to the general domestic and international economic situation with time also devoted to the Commodity Sessions.

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